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# Mongolia Report

No. 342

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REPORT ON 1981-1985, 1982 ECONOMIC AND CULTURAL PLANS

Ulaanbaatar NOVOSTI MONGOLII in Russian 4 Dec 81 pp 2-4

/Speech by Deputy Chairman of the MPR Council of Ministers and Chairman of the MPR State Planning Commission D. Sodnom at session of the MPR People's Great Hural on 3 December: "On the State Plan to Develop the National Economy and Culture of the MPR for 1981-1985, on the State Plan to Develop the National Economy and Culture of the MPR for 1982"/

/Text/ Comrade deputies!

The current year of 1981 has been filled with significant events in the life of our party and people. The Mongolian people festively marked the 60th anniversary of the formation of the Mongolian People's Revolutionary Party and the triumph of the People's Revolution.

The 18th MPRP Congress, which was a major event in the political life of our country, was held this year.

In the report of General Secretary of the MPRP Central Committee and Chairman of the Presidium of the MPR People's Great Hural Comrade Y. Tsedenbal at the 18th MPRP Congress and in the decisions of the party congress, which made a great contribution to the practice and theory of the building of socialism, the results of the development of the MPR national economy during the past 5-year plan are summarized, a specific program of the economic and cultural development of the country for the next few years is outlined and the main means of implementing it are specified.

In implementing the decisions of the 17th MPRP Congress, the workers of our country during the years of the Sixth Five-Year Plan made noteworthy gains in all the sectors of the building of socialism. During this period the productive forces and social production of the country were developed rapidly, the material and cultural standard of living of the people increased. The defensive capability of the country was strengthened. The comprehensive cooperation of the MPR with the Soviet Union was raised to a new level and became even more extensive.

The achievements in the socioeconomic development of the country are vivid confirmation of the correctness of the economic and social policy of our party.

Taking as a basis the achieved level of development of the productive forces of the country, the increase of the socialist consciousness and labor activeness of the working class, the cooperative peasantry and the labor intelligentsia, the increasing economic, scientific and technical cooperation with the Soviet Union and the other fraternal socialist countries, the 18th MPRP Congress advanced important tasks in the area of the economic and social development of the MPR during the Seventh Five-Year Plan.

In conformity with the decisions of the 18th MPRP Congress the MPR Council of Ministers has drawn up a draft of the plan to develop the national economy and culture of the MPR for 1981-1985 with a breakdown by years, as well as a draft of the plan to develop the national economy and culture of the MPR for 1982 and is submitting them for examination to this Session of the People's Great Hural.

The draft of the 5-year plan was drawn up in conformity with the Main Directives of Development of the National Economy and Culture of the MPR for 1981-1985, which were approved by the 18th MPRP Congress.

The drafting of the State Plan to Develop the National Economy of the MPR for 1981-1985 and the plan for 1982 was carried out with the active participation of ministries, state committees, departments, aymag and city executive committees of assemblies of people's deputies, trade union and scientific research organizations.

The proposals advanced during the discussion of the draft of the main directives of development of the national economy and culture of the MPR for 1981-1985 at the party congress and meetings of party organizations and workers, as well as the mandate of the voters of the people's assemblies of all levels were carefully studied and for the most part taken into account when drawing up the draft of the plan.

The MPRP Central Committee Plenum, which was held yesterday, examined and for the most part approved the drafts of the 5-year plan and the plan for 1982.

When examining the drafts of the plan the Third MPRP Central Committee Plenum indicated the shortcomings in the work of specific sectors, ministries, aymags and organizations, directed particular attention to and made the corresponding decisions on the most important questions which are of great importance in the accomplishment of the plan assignments of the new 5-year plan, in particular, on the development of agriculture and the steady increase of the output of its products, the improvement of the planning of capital investments and the organization of construction work; the improvement of the use of manpower resources and the increase of labor productivity; the increase of quality and production efficiency, the consistent introduction of the policy of economy, the mobilization of internal reserves; the improvement of the economic mechanism, the increase of responsibility and the tightening up of discipline at all levels and others. The decisive sectors of work, which require the constant attention of party, state, public and economic organs and on which all efforts should be concentrated for the effective accomplishment of the economic and social tasks worked out by the 18th MPRP Congress, were specified in the speech of Comrade Tsedenbal at the plenum.

The decisions of the Third MPRP Central Committee Plenum and the instructions and conclusions contained in the speech of Comrade Tsedenbal will be a new stimulus for

the further development of the creative labor of our people on the implementation of the historic decisions of the 18th MPRP Congress.

The Main Tasks of the Development of the National Economy and Culture of the MPR for 1981-1985

Comrade deputies!

The draft of the Seventh Five-Year Plan is directed entirely toward the assurance of the fulfillment of the main task of the 5-year period, which was advanced by the 18th MPRP Congress and consists "in the assurance of the progressive development of social production, in the increase of its efficiency by the steady growth of labor productivity, the introduction of scientific and technical achievements and advanced know-how, the utmost improvement of work quality in all the sectors of the national economy and culture, the efficient use of production capacities, material, financial and manpower resources, as well as the further increase of the economic potential of the country and in the achievement on this basis of the steady increase of the material well-being and cultural standard of living of the people."

The Seventh Five-Year Plan will be an important stage in the development of the productive forces of the country, the improvement of production relations and the solution of problems of social development.

The capital investments in the national economy for all sources of financing will come to 19 billion tugriks, which is 4 billion tugriks more than during the preceding 5-year plan. Their allocation is subordinate to the tasks of the proportionate development of the sectors of the national economy and the industrialization of the country. Nearly 70 percent of the total amount of capital investments will be channeled into the sphere of physical production. In conformity with the instructions of the party congress it is planned to allocate more assets for the strengthening of the material and technical base of agriculture, first of all animal husbandry, as well as light and the food industries and for the assurance of the leading rate of development of the fuel, power, mining and construction materials industries.

One of the peculiarities of the Seventh Five-Year Plan is that a significant increase of the placement of fixed capital into operation is called for with a comparatively lower growth rate of capital investments as compared with the preceding 5-year plan. Thus, the fixed production capital of the national economy will increase by 66 percent with a growth of the total amount of capital investments by 26 percent.

The capital-labor ratio will increase significantly. The provision of the national economy with manpower and skilled personnel will improve. During the 5-year period the number of people employed in the national economy will increase by 72,000, including by 55,000 in the sphere of physical production. At higher secondary specialized educational institutions 46,500 specialists will be trained; 56,000 skilled workers will be trained at vocational and technical schools. It is planned to send to the sectors of the national economy more than 50,000 boys and girls who have graduated from general educational schools.

In conformity with the results of the coordination of the state plans for 1981-1985 and with long-term trade and other agreements the economic cooperation of our country with the Soviet Union and the other fraternal socialist countries will be expanded.

On the basis of all this it is envisaged to speed up the rate of development of the economy and to improve the indicators of production efficiency in conformity with the decisions of the 18th MPRP Congress. The production of national income will increase by 41 percent. The rate of increase of the gross national product and the national income will exceed the average annual rate of growth of the population by 2.4-fold.

It should be noted that with the progressive development of the socialist economy the significance of each percent increase of the efficiency of social production will increase. Thus, during 1981-1985 the significance of a 1-percent increase of the produced national income will increase by 13 million tugriks as compared with the past 5-year period.

High growth rates are called for, first of all, in industry and agriculture. The volume of industrial production will increase in 5 years by 60 percent, the gross output of agriculture (in average annual terms) will increase by 23 percent.

The planned speedup of the development of social production will be accompanied by the improvement of its sectorial structure.

In conformity with the instructions of the party congress approximately 80 percent of the capital investments in the sphere of physical production will be allocated for the completion of the construction of projects and the implementation of measures within this 5-year period. In this connection the timely placement into operation and the more complete utilization of production capacities will be decisive conditions of the assurance of the planned growth of production.

The acceleration of the growth of labor productivity is one of the important tasks of the Seventh Five-Year Plan. During the 5-year plan the productivity of national labor will increase by 24 percent, which will provide two-thirds of the increase of the national income. In 1985 the increase of labor productivity in industry will be 24.6 percent, in construction--23 percent, in motor transport--9.2 percent, rail transport--18.8 percent as against 1980.

Ministries, departments, aymags and cities, enterprises and economic organizations should carefully elaborate and implement specific measures on the improvement of the organization of production, the improvement of the supply of means of labor, the maintenance and operation of machines and equipment, and especially on the tightening up of labor discipline.

In conformity with the Main Directives, which were approved by the 18th MPRP Congress, 5-year plan assignments on the decrease of the specific consumptions of materials for the production of products and the rendering of services are being established for ministries and departments. Here particular attention is being directed to the tightening up of the control over the expenditure and to the decrease of the specific consumptions of the main types of materials, especially imported and

scarce materials. Thus, for example, in motor transport the specific consumption of liquid fuel on the average will be decreased by 4.3 percent, at thermal electric power stations and in the construction materials industry--by 2 percent. It is planned to reduce the specific consumption of coal (in terms of conventional fuel) for the generation of thermal energy and electric power by 5 percent, to save in construction 6 percent of the cement and 5 percent of the lumber. The fulfillment of the above-listed assignments will make it possible to save in 5 years approximately 45,000 tons of liquid fuel and more than 200,000 tons of coal.

The economical and efficient use of all types of raw materials and materials, fuel and power and the increase of the quality of raw materials, materials and finished products are one of the most important conditions of the accomplishment of the tasks of the economic and social development of the country for the 5-year period.

The results of the work on mobilizing resources and economizing will find expression in the decrease of the production cost and the increase of the profit.

It is planned to increase the total amount of the profit for the national economy by 52 percent as compared with 1980.

Measures aimed at the accomplishment of the tasks of further increasing the material well-being of the people, which were advanced by the 18th MPRP Congress, are stipulated in the 5-year plan. During the 5-year period the consumption fund will increase by 30 percent with respect to the preceding 5-year plan.

In conformity with the decisions of the 18th MPRP Congress particular attention will be directed to the concentration of the efforts of scientific institutions on the increase of the theoretical level and practical return of scientific research and development, their conformity to the urgent requirements of the development of the national economy, the study and solution of problems which arise during the economic and social development of the country, as well as on the acceleration of the introduction of the achievements of science, technology and advanced know-how in the national economy, especially in agricultural production.

It is envisaged to elaborate long-term comprehensive programs of the steady development of agriculture, the supply of the population with foodstuffs, the leading development of the fuel and power industry, the increase of the export resources of the country and the efficient use of manpower resources, as well as the General Plan of the Development and Distribution of the Productive Forces of the Country and a long-range goal program of the development of science and technology. Such important questions as the improvement of the technology of animal husbandry and farming, the protection of the gene stock and the breeding of better offspring of highly productive local breeds of livestock, the increase of the quality of the seed of the main types of agricultural crops, as well as the improvement of the working and living conditions of livestock breeders will be reflected in the plans of developments and their introduction in the production of scientific research organizations which are studying the problems of agriculture.

It is necessary to step up the activity of the State Committee for Science and Technology, the MPR Academy of Sciences, ministries and departments in the implementation of the instructions of the 18th MPRP Congress on the development of

science, the introduction of scientific achievements and advanced know-how in practice and each provision of the 1980 decree of the MPRP Central Committee, "On the Status of and Steps to Improve Scientific Research Work in the Country."

Great important is being attached to conservation and environmental protection. Nearly 700 million tugriks will be allocated for the implementation of measures which are aimed at the protection of sanctuaries and reserves, rare animals, the air basin, the soil, ground and surface waters, as well as the efficient use of natural resources.

The further improvement of the management and planning of the national economy is an important factor of the increase of the efficiency of social production and the fulfillment of the Seventh Five-Year Plan.

It is envisaged to implement consistently the instructions of the 18th MPRP Congress on the improvement of management and planning, particularly on the enhancement of the role of the 5-year plan, the tightening up of planning discipline, the improvement of the soundness and balance of the state plans. The elaboration of long-range goal programs on the decisive problems of the economic and social development of the country is also included in the group of indicated measures. The party congress emphasized the particular importance of the improvement of planning, accounting and reporting in the direction of the increase of the end results of production, as well as the need for the improvement of the mechanism of prices and finance, the strengthening and improvement of the work of the systems of material and technical supply and quality control.

Ministries and departments, aymag and city executive committees, enterprises and economic organizations should direct particular attention to the planning and implementation of specific measures on the fulfillment of the 5-year plan assignments and the establishment of the sequence of work with the conclusion of economic contracts for 5 years and 1 year.

#### Social Development and the Task of Increasing the Well-Being of the People

Comrade deputies!

The planned growth of the economy and the efficiency of social production is creating realistic conditions for the implementation of extensive measures which are aimed at the increase of the well-being of the people--the highest goal of the policy of our party.

During 1981-1985 the amount of the consumption fund, which is intended entirely for meeting the material and spiritual needs of the people, will increase by 6.2 billion tugriks as compared with the preceding 5-year period. In conformity with the increase of the national income and its distribution in 1985 the per capita real income of the population will increased by 11 percent as compared with 1980. The average wage of workers and employees will be increased by 4.8 percent, while the monetary income of the members of agricultural cooperatives from the public sector and private plots will increase by 22 percent.

In conformity with the decisions of the party congress the implementation of additional measures on the increase of the real income of the workers has begun or is being planned.

The salaries for the engineering and technical personnel of thermal electric power stations, electric power and heating systems, as well as for some categories of workers of aymag and city executive committees of the assemblies of people's deputies have been increased, increments for a continuous length of service in one's specialty are being paid to construction workers and some preferences are being granted to them. It is planned to implement in stages measures on the enlargement of the sphere of coverage of specialists, to whom increments are paid for work under the conditions of the Gobi Desert, and on the increase of the wage rates of the workers of the fuel and power industry.

Starting in 1982 the procurement prices for some types of livestock products will be increased, which will lead to the increase of the monetary income of the members of agricultural cooperatives from the public sector and private plots by 1985 by approximately 30 million tugriks. Measures on the stimulation of the attachment of young workers of some sectors of the national economy and livestock breeders of agricultural cooperatives at the place of initial assignment are being elaborated, and it is planned to implement them starting in 1982.

The grants and benefits, which are offered to livestock breeders who come through organized recruitment to a permanent job at agricultural cooperatives and state farms of the eastern and Gobi aymags, which are experiencing a shortage of manpower, will be increased.

It is planned to take steps to increase the real income of the population, including individual types of pensions and grants. Starting in 1982 old-age pensions will be granted to the members of agricultural cooperatives starting at the age of 60 for men and 55 for women. It is planned to cover the members of agricultural cooperatives, who are disabled and are people who have lost the breadwinner, by the state pension security system and to increase the amount of the pensions given to them by 50 percent.

The assets being allocated from the state budget for the appropriations of socio-cultural measures will be increased by approximately 3 billion tugriks.

In connection with the increase of the monetary income and the purchasing power of the population, as well as the market fund of consumer goods, an increase by 1985 of the retail commodity turnover of state and cooperative trade to 4.3 billion tugriks, or by 27.6 percent as against 1980, is envisaged in the plan.

Specific measures on the mobilization of reserves for the increase of the stocks of foodstuffs and industrial consumer goods are stipulated in the Seventh Five-Year Plan. Plan assignments of the deliveries of consumer goods with a breakdown by years have been established for ministries and departments.

The stocks of foodstuffs being supplied for the needs of the population will increase considerably. Thus, in 1985 the stock of meat and meat products will increase as against 1980 by 15 percent, milk and dairy products--17 percent,

butter--19 percent, groats--42 percent, sugar and confectionary items--17 percent, potatoes--2.8-fold, vegetables--80 percent, eggs--29 percent. For ministries and departments, which are supplied from the state centralized stock, assignments are being established on the meeting of a portion of their need for foodstuffs by the expansion of the organization of subsidiary farms, while for the corresponding organizations assignments are also being established on the increase of food resources by the further development of apiculture, the enlargement of the areas for berry bushes and the extensive use of the gifts of nature.

The fulfillment of the plan of deliveries of foodstuffs will lead to some increase of the per capita level of their supply.

The more complete utilization of the available means for the increase of food resources and the timely making of import deliveries in the planned amount are of great importance in the fulfillment of the established assignments.

The material base of central and local organizations of trade and public dining will be strengthened. Measures on the construction in cities and rural areas of stores, dining rooms, specialized goods and raw material warehouses, storehouses and other facilities, on the improvement of trade and service centers, as well as their supply with the necessary equipment and means of transportation are called for.

Along with the study of consumer demand and the improvement of the existing procedure of distributing and selling consumer goods the increase of the influence on the part of trade organizations on industrial enterprises and economic organizations in the increase of the quality and the enlargement of the assortment of goods, as well as the improvement of the forms of service and economic ties between industrial, agricultural, trade and transportation organizations will be the most important conditions of the increase of the output and the improvement of the supply of consumer goods.

Comrades!

The task of the further development of the public education system, the improvement of educational work and the meeting of the need of the national economy for personnel is set in the Seventh Five-Year Plan.

It is planned to increase the number of children's preschool institutions by 10.4 percent, to build and put into operation kindergartens and nurseries with room for 14,000. The organization of kindergartens and nurseries by industrial enterprises and economic organizations on their own will receive comprehensive support.

It is envisaged to increase the number of places for students by 57,000 by the construction and expansion of general educational schools and to create the conditions for the organization of the educational process at schools without a third session.

Boarding schools to accommodate more than 16,000 will be built, and 72 percent of the pupils who are children of livestock breeders, including up to 90 percent in the eastern and Gobi aymags, will be provided with them.

During the 5-year period through the system of general educational schools of workers it is planned to increase the general educational level of 36,700 young workers and livestock breeders.

Socialist culture and art will undergo further development for the meeting of the spiritual needs of the workers and the increase of their ideological, political, moral and esthetic education.

The network of institutions of culture and art will be enlarged and their material base will be strengthened, steps will be taken to improve the quality of their work and to provide them better with skilled personnel.

Preventive medical treatment measures will be stepped up, the specialized medical assistance for rural inhabitants, especially the livestock breeders of agricultural cooperatives, will be expanded, the quality of medical service will be increased.

During the Seventh Five-Year Plan the number of polyclinics and hospitals will increase, the supply of medical institutions with modern equipment and apparatus will be improved. The assets being allocated for the development of public health will increase by 154 million tugriks, or 1.5-fold with respect to the past 5-year period.

During the 5-year period it is envisaged to train 6,600 physicians and medical personnel with a secondary specialized education. In 1985 the number of hospital beds will come to 113 per 10,000 people, the number of physicians--24.9 per 10,000 people.

During the new 5-year plan particular attention will be directed to the extensive introduction in medical practice of scientific achievements and advanced know-how, the increase of the quality and effectiveness of prophylactic work, as well as the improvement of the use of the material base and equipment of medical institutions and the budget assets being allocated to them.

The number of places at sanatorium and health resort institutions and vacation homes will increase. The network of Pioneer camps, vacation homes and sanatoriums of ministries and departments, industrial enterprises and economic organizations is being expanded. For the purpose of the more complete meeting of the needs of vacation homes and sanatoriums for various food products it is planned to implement measures on the organization at them of subsidiary farms for the raising of cattle, hogs and poultry and the cultivation of potatoes and vegetables.

Steps aimed at the increase of the skill of athletes, the development of mass physical culture and sports, first of all among children and young people, as well as at the strengthening of the material base of sports organizations will be taken.

Great importance is being attached to the improvement of the housing conditions of the workers. During the 5-year period apartment houses with 830,000 m<sup>2</sup> of living space will be built, the amount of available state and cooperative housing will increase by 36 percent. The construction of dormitories for workers and construction workers, as well as of residential hotels for people with small families will be expanded. It is planned to organize the production, delivery and sale to workers of the materials necessary for the improvement and repair of housing.

The volume of municipal services will increase by 27 percent, while that of personal services will increase by 44 percent. The central water and sewerage systems are being expanded in the cities of Ulaanbaatar, Darhan and Choybalsan, and such systems will be set up in the cities of Olgii, Saynshand, Uliastay, Hobd and Altay. Steps will be taken on the centralization of heat boiler houses in aymag and somon centers, on the increase of the number of bathhouses and laundries, the expansion and improvement of hotels. The number of personal service enterprises locally, especially for the livestock breeders of agricultural cooperatives, will be increased, the types and the introduction of advanced service methods will be increased, as a result of which the volume of personal services for rural residents will increase 1.9-fold.

Comrade deputies!

The proportionate and progressive development of the sectors of physical production will be the basis for the accomplishment of the tasks advanced by the 18th MPRP Congress on the economic and social development of the country.

#### The Development of Agriculture

The main task of the development of agriculture consists in meeting more completely the increasing needs of the population for food products and of industry for raw materials on the basis of the assurance of the steady growth of agricultural production and the increase of its efficiency.

On the basis of the instructions of the 18th MPRP Congress on the need to make a decisive turn toward the development of agriculture it is outlined by the 5-year plan to increase the average annual volume of the production of the gross output of agriculture by 23 percent as compared with the preceding 5-year plan.

The further steady development of animal husbandry, which provides about 70 percent of the gross output of the sector, is called for by the plan.

As compared with the past 5-year plan it is planned to increase the average annual production volume of meat by 5.9 percent, milk--9.7 percent, butter--24 percent, eggs--1.7-fold and wool--4.3 percent.

A significant portion of the growth of the output of animal husbandry will be provided by increasing the livestock population. During the 5-year period it is planned to increase the livestock population in terms of bogs (units of livestock) by 4.1 percent, including small cattle by 1.07 million and large-horned cattle by 160,000 head. A steady increase of the breeding stock is called for, which will make it possible to raise on the average in a year 9.2 million young animals. This task requires the radical improvement of the work on the insemination of livestock, the decrease of the sterility and the miscarriaging of female animals.

The decrease of losses of livestock is a great reserve in the increase of the output of animal husbandry. A decrease of the losses of livestock by not less than 27 percent as against the past 5-year plan is called for in the plan.

For the purposes of creating a firmer basis for the development of animal husbandry a significant increase of fodder production is envisaged in the plan.

It is planned to increase the production of all types of fodders in 1985 to 1,173,000 tons of fodder units. The average annual production volume of fodders will increase as against the past 5-year plan by 46 percent. At the same time a significant increase of the use for fodder of annual grasses, straw, fodder grain and succulent fodders is planned.

The enlargement of the areas planted with fodder crops, the organization of new fodder farms and the production of the seed of annual and perennial grasses, the construction of small irrigation systems and the expansion and renovation of operating fodder enterprises and shops are called for in the plan.

The utmost support of the initiative and undertakings of leading farms and aymags in the production of fodders locally, particularly by means of the irrigation of hayfields, the planting of fodder crops near wells and the organization of shops for the production of feed mixes from local resources, is of great importance in the matter of increasing fodder resources.

The expansion of irrigated hayfields by 26,000 hectares is called for in the plan.

In conformity with the decisions of the party congress the increase of the qualitative indicators and productivity in animal husbandry is envisaged in the plan. It is envisaged to increase the average annual commercial yield per 100 female animals by 7 percent as against the past 5-year plan. About 60 percent of the average annual increase of young animals will be provided by means of this.

It is planned to increase the average annual yield of wool per head of sheep by 3 percent and the yield of milk per feed cow by 8 percent as compared with the Sixth Five-Year Plan.

An increase of the delivery weight of livestock which are delivered for meat is planned by means of the more efficient use of pasture lands and the improvement of the work on the grazing of livestock in pastures and their fattening. During the 5-year period 30 yards for the fattening of cattle and sheep will be organized at agricultural cooperatives and state farms, by means of which it is planned to additionally produce about 7,000 tons of meat in live weight.

The increase of the production of agricultural products requires of the Ministry of Agriculture, its scientific organizations and the aymags the implementation of the decisions of the 18th party congress on the improvement of breeding work, first of all on the extensive breeding of the best offspring of local breeds of livestock.

In the decisions of the 18th MPRP Congress particular attention is devoted to the need to improve the forms and methods of the organization of labor in agriculture, first of all in animal husbandry. In conformity with the experience of some aymags it is planned to organize about 100 consolidated livestock breeding units and more than 200 bases for receiving young animals, which are one of the progressive forms of improving the technology of pasture animal husbandry. Such units and bases, during the creation of which measures on the improvement of the working and living conditions of the livestock breeders will be taken into account, will be organized in every aymag for the purpose of developing the best forms of the organization of the labor of livestock breeders with allowance made for the specific local conditions.

It is outlined by the 5-year plan to increase the average annual volume of the procurement of pork as compared with the preceding 5-year plan by 3.5-fold and of poultry meat by 1.5-fold by the expansion of the farms of agricultural cooperatives and state farms and the further development of hog and poultry raising.

The expansion and construction of mechanized dairy farms for 3,200 cows are envisaged for the purpose of improving the supply of the population of cities with milk and dairy products. At some agricultural cooperatives, which are located near aymag centers, it is planned to set up simplified dairy farms. The construction of a specialized farm for the raising of heifers is envisaged for the improvement of the provision of dairy farms with better breeds.

For the improvement of the supply of dairy farms with fodders in the plan it is envisaged to increase the average annual production volume of succulent fodders by threefold as compared with the past 5-year plan and to increase it by 1985 to 199,000 tons.

The organization of the more complete coverage by milking of cows, small cattle, mares and camels is a great reserve in the increase of the production of milk and dairy products. In this connection the Ministry of Agriculture and the aymag executive committees need to elaborate and take specific steps on the complete utilization of reserves in the increase of milk and dairy products.

During the Seventh Five-Year Plan the grain harvests will be increased considerably.

It is planned to increase the average annual volume of the gross output of farming by 67 percent as compared with the preceding 5-year plan.

The average annual harvest of grain will be more than 600,000 tons, that of potatoes and vegetables will be 117,700 tons. It is envisaged to increase the average annual yield of cereals to 11 quintals per hectare, potatoes to 114 quintals per hectare, vegetables to 144 quintals per hectare and fodder crops to 119 quintals per hectare. For this it is necessary to implement measures on the improvement of the agricultural technology of cultivation of agricultural plants and seed growing, on the intensification of the control of soil erosion, on the increase of irrigated and fertilized areas, on the shortening of period of the harvesting of the crop and on the decrease of the losses during the harvesting and transportation of the crop.

The deliveries of equipment to agriculture will increase significantly. During the 5-year period it will receive more than 1,000 grain harvesters, more than 4,000 tractors, more than 1,000 trucks and much other agricultural equipment. It is envisaged to build and to put into operation 26 workshops and stations for the maintenance of agricultural equipment. During the new 5-year plan a significant amount of anti-erosion equipment will be delivered; therefore the corresponding ministries and aymag organizations need to direct particular attention to its complete introduction.

It is necessary to increase the demand on the improvement of the use of agricultural equipment. Due to the unsatisfactory use of agricultural equipment at the majority of agricultural cooperatives and state farms and to the low quality of its repair and maintenance the periods of the planting and harvesting of the crop and the procurement of fodders are being extended and great opportunities for the

increase of the output of products are being lost. Moreover, the monitoring and recording of the consumption of fuel and lubricants are at a low level. Therefore, agricultural cooperatives and state farms need to perform specific work on the elimination of the existing shortcomings.

On the basis of the increase of the quality of livestock and farming products and the decrease of their losses the revenues of agricultural cooperatives and state farms will increase in 5 years by approximately 200 million tugriks.

In conformity with the decision of the Seventh MPRP Central Committee Plenum the subsidiary farms of enterprises and organizations and the private plots of citizens for the raising of cattle, hogs and poultry and the cultivation of potatoes and vegetables will undergo more extensive development.

During the 5-year period more than 3 billion tugriks of capital investments will be channeled into agriculture for the strengthening of the material and technical base of agricultural production and the assurance of the planned rate of its development, which is 39 percent more than during the Sixth Five-Year Plan.

It is necessary to direct particular attention to the efficient use of the capital investments being allocated to agriculture, the high quality and timely construction of the projects being planned and the shortening of the period of the assimilation of the rated capacities of farms and enterprises. Taking into account the need to concentrate the forces of the construction brigades of agricultural cooperatives and intercooperative enterprises on the construction of agricultural projects, starting this year the projects being financed through assets of the state budget for the most part will be included in the programs of aymag construction and installation offices and trusts. Steps will be taken to improve the supply of aymag intercooperative enterprises with construction machines, machinery and skilled personnel. The strengthening of the production base of the Electrical and Sanitary Engineering Installation Trust of the Ministry of State Farms and the establishment of branches of it in several aymags and cities are envisaged. It is planned to support in every possible way the construction of housing, cultural, personal and economic projects at agricultural cooperatives and state farms on the basis of their own resources and with the use of local construction materials.

Measures on the provision of agriculture with the necessary personnel are envisaged by the 5-year plan.

In all 6,400 specialists with a higher and secondary specialized education and 20,700 skilled workers and livestock breeders will be sent to agriculture. Much attention is being devoted to the provision of livestock breeding with manpower, especially in the eastern and Gobi aymags. The training of the new generation of livestock breeders and the passing on of the gained experience to young livestock breeders are of great importance.

It is necessary to strengthen the vocational guidance of the graduates of rural general educational schools and to expand the work on the organization at large farms of student production brigades, having allocated to them the appropriate tracts of land and equipment. During the current 5-year period 31,000 boys and girls from general educational schools will be sent to agriculture and more than

3,000 people will be sent through organized recruitment to the aymags in which the shortage of manpower is especially being felt.

Taking into account the importance of the attachment of personnel locally, first of all machine operators and specialists, 45,000 m<sup>2</sup> of housing will be built at state farms. It is necessary to provide assistance to the machine operators and specialists of state farms and agricultural cooperatives in the individual and cooperative construction of housing by granting to them long-term credits on preferential terms and allocating the necessary construction materials.

The increase of the efficiency of agricultural production and the increase of the activeness of farms in seeking additional reserves require the taking of steps on the improvement of the system of planning and management and the stepping up of economic stimulation in the matter of the development of agricultural production.

During the new 5-year period steps will be taken to decrease the number of indicators approved by the plan and to improve the procedure of evaluating the fulfillment of the plan.

Starting in 1982 the procurement prices for some types of livestock products will be increased, and the system of the economic stimulation of the increase of the production and procurement of agricultural products will also be improved by the establishment of a procedure of stimulating the increase of the procurement of the main types of products of livestock breeding.

At the 18th party congress the need to elaborate a comprehensive goal program of the development of agriculture was especially emphasized.

In this connection recently the Politburo of the MPRP Central Committee adopted the special Decree on the Elaboration in the Next Few Years of a Scientifically Sound Goal Program of the Long-Range Development of Agriculture and the Improvement of the Supply of the Population With Foodstuffs to the Year 2000 in Connection With the Solution of the Problems of Improving the Working and Living Conditions of Rural Workers. Within it comprehensive measures aimed at the reliable supply of the country with food products and agricultural raw materials will be elaborated.

The elaboration of this program will promote the further increase of the comprehensiveness of the development of agriculture and the improvement of the balance of state plans.

#### The Development of Industry

##### Comrade deputies!

The most complete satisfaction of the needs of the national economy and the population for industrial products by the improvement of the use of production capacities, the further increase of the industrial potential of the country, the increase of production efficiency, the improvement of the quality and the enlargement of the assortment of products is the main task of this sector for 1981-1985.

In 1985 the volume of industrial production will have increased 1.6-fold as against 1980.

The increase of the output of products of the sectors of industry is planned in the following amount (in comparable prices):

	millions of tugriks	percent of 1980
All industry. . . . .	2426.3	60.0
Including:		
power . . . . .	333.7	81.3
fuel. . . . .	99.9	55.7
mining. . . . .	534.6	118.4
metalworking. . . . .	83.3	57.6
construction materials industry . . . . .	311.4	123.1
forestry and woodworking. . . . .	121.2	21.7
light . . . . .	586.3	54.0
food. . . . .	294.2	38.6
others. . . . .	61.7	35.5

Thus, the power, mining and construction materials industries will be developed at a leading rate as compared with the other sectors. It is envisaged to develop light and the food industries more rapidly as compared with the past 5-year plan, which will make it possible to increase substantially the degree of processing of agricultural raw materials.

The extensive measures on the development of industry, which are envisaged by the 5-year plan, are oriented toward the accomplishment of the program goal of the MPRP--the transformation of the country into an industrial agrarian country.

With the assurance of the planned growth by the end of the 5-year plan the net output of industry will make up nearly one-third of the total produced national income.

During 1981-1985 7.8 billion tugriks will be invested in industry. It is planned to provide more than 70 percent of the increase of industrial production by the creation of new capacities and 15 percent by the expansion and renovation of operating capacities. In this connection the timely accomplishment of the programs of the construction and placement into operation of new enterprises, the expansion and renovation of operating enterprises and the assimilation of new capacities in the shortest possible time is one of the main conditions of the fulfillment of the plan assignments.

During the Seventh Five-Year Plan considerable work has to be done on the economy and efficient use of raw material, fuel, energy and other material resources, especially in the sectors of industry.

During 1982-1985 for industrial ministries it is planned to decrease the consumption of raw materials and materials by more than 320 million tugriks and of fuel, electric power and thermal energy by approximately 90 million tugriks. Assignments

on the economy of the main types of raw materials, materials, fuel and power will be established for these ministries in the 5-year plan in value terms and in the annual plan in physical terms. In this connection the ministries should draft and approve for each enterprise and economic organization a plan of organizational and technical measures aimed at the economy of raw materials and materials, especially imported and scarce raw materials and materials, as well as set up the strict monitoring of its fulfillment. Along with the further broadening of the scope of the work on the rate setting of raw materials and materials it is necessary to study and introduce in a planned manner advanced know-how in the area of the economy of raw material and material resources.

Planning and economic organs and the appropriate ministries need to direct particular attention to the specific reflection of the economy of raw materials, materials, fuel and power in the plans of production, accumulations and material supply, as well as in accounting and reporting. The stimulation of the economy of material and raw material resources should also be stepped up.

Particular attention should be directed to the enlargement of the assortment, the improvement of the quality, the style and appearance of the products of light and the food industries. It is envisaged to increase by the end of the 5-year plan the proportion of products of the first quality category in the total volume of the commodity production of industry to at least 29 percent. Along with the planned adoption of the experience of using the comprehensive product quality control system at the carpet factory in Ulaanbaatar, the ministries, departments and enterprises should develop more extensively the movement of brigades for high quality.

The lower limit of the increase of labor productivity in industry will be 24.6 percent.

Modern highly productive equipment and an advanced processing method are being adopted in the sectors of industry, which should promote an increase of labor productivity. However, as a consequence of the low level of the organization of labor and the violation of technological and labor discipline at a number of industrial enterprises unproductive losses of working time and downtimes are still occurring, which is checking the growth of labor productivity. Evidence of this is the fact that for the ministries of construction and construction materials and forestry and the woodworking industry the unauthorized absences and unproductive downtimes per worker in 1980 did not decrease as compared with 1979. In this connection the indicated ministries should perform specific work on the increase of labor productivity.

In the 5-year plan particular attention is devoted to the training of specialists and workers for industry, first of all for enterprises which are being newly built. During the 5-year period 5,500 specialists with a higher and secondary specialized education and 14,100 skilled workers will be sent to the sectors of industry. Along with this it is planned to send 4,000 boys and girls who have graduated from general educational schools and to teach them labor specialties through courses, training shops and combines at industrial enterprises.

Comrade deputies!

Permit me to dwell briefly on the planned tasks of the development of the main sectors of industry.

In the Fuel and Power Industry. The work on the expansion and renovation of the Nalayh mine and the Sharyn Gol and Aduunchuluun open-pit coal mines will be completed, the first section of the Baganuur open-pit coal mine will be put into operation. Moreover, it is planned to increase the level of mechanization and to improve the working conditions at local open-pit coal mines.

The construction and placement into operation of a number of units of Heat and Electric Power Station No 4 in Ulaanbaatar and of the Darhan-Ulaanbaatar, Baga nuur Choyr-Bor ondor, Choyr-Har-ayrag and Bulgan-Harhorin high-voltage electric power transmission lines with a total length of more than 800 km are envisaged. Along with this steps will be taken to expand the electric power stations in the cities of Choybalsan, Darhan and Erdenet and to increase the capacities of the diesel stations in aymag centers.

During the 5-year period the volume of coal mining will amount to 6.8 million tons, the generation of electric power--2.4 billion kWh, the release of heat--5.9 million gigacalories, as a result of which the supply of the national economy with fuel and power will be improved.

In the Mining Industry. Along with the complete assimilation of the rated capacity of the Mongolian-Soviet Erdenet Joint Mining and Concentration Combine the capacities of the enterprises of the Mongolsovtsvetmet Association will be increased. The volume of the mining of fluorspar ore will increase considerably, the construction of the main facilities of the combine for the mining and concentration of fluorspar in Bor ondor will begin.

In conformity with the need to increase the raw material reserves of the country the amount of geological prospecting will increase by 25.8 percent as compared with the past 5-year plan. It is planned to concentrate the geological prospecting in the regions of operating mining enterprises, as well as in promising regions for the identification of deposits of copper, zinc, tin, fluorspar, precious and rare metals, phosphorite and other minerals.

In the Metalworking Industry. The construction and placement into operation of a cast iron shop, a shop for the production of trailers and the repair of the bodies of buses and passenger cars, as well as the repair enterprises under construction at the Erdenet Mining and Concentration Combine and the Sharyn Gol open-pit coal mine are envisaged. The expansion of the founding shop of the motor vehicle repair plant will be carried out.

The quality of the overhaul of motors and assemblies will be increased, the output of spare parts, casting stock and metal items of extensive consumption will be increased, the use of the capacity of repair enterprises and workshops will be improved. It is necessary to elaborate and implement measures on the improvement of the use of equipment and materials and the increase of the output of products on the basis of the specialization and cooperation of repair enterprises and workshops in the production of spare parts and various metal items.

In the Construction Materials Industry. The construction of shops of metal structural components and ceramic tiles, a quarry of inert materials with a gravel screening plant, as well as the expansion and renovation of the combine of wall materials are planned in Ulaanbaatar. Enterprises of wall materials will be built in Dundgobi, Obohangay, Hobd, Dornod and Gobi-Altay Aymags, while a plant of mineral wool and insulating materials will be built in Darhan. The first section of the Hutul Cement and Lime Plant will be put into operation. The capacities for the production of reinforced concrete items will be expanded. During 1981-1985 an increase of the production of reinforced concrete items by 2.5-fold, wall materials--1.7-fold, cement--2.1-fold and lime--1.9-fold is envisaged on the basis of the implementation of these measures and the improvement of the use of the capacities of construction materials enterprises.

The production of hollow bricks, keramzit panels, spans with prestressed reinforcement, casein glue and others will be assimilated, and the wet method of producing cement and the technology of producing mineral wool and ceramic tiles will be introduced and prefabricated blocks will be used.

The supply of construction materials, which are necessary for the performance of construction and installation work and capital repair, will be improved with the solution of the problem of increasing the production of construction materials with the economical consumption of materials everywhere and the use of local means.

In the Logging and Woodworking Industry. It is planned to put into operation a plant for the production of carpentry items and built in furniture, a furniture and cardboard combine in Ulaanbaatar, a woodworking combine in Erdenet, as well as to complete the work on the expansion and renovation of the woodworking combines in Tosontsengel and Suhbaatar. Logging roads more than 700 km in length will be built, steps will be taken to improve the use and maintenance of roads.

During the 5-year period the production of lumber will increase by 17 percent, the production of construction doors and window frames will increase by 2.9-fold. The fulfillment of the plan assignments will result in the meeting of the need of construction and installation work for wood and will make it possible to supply a portion of it for export.

It is planned to enlarge the assortment of consumer items made from wood, to increase the production of accessories for animal-drawn transport by 4.5-fold, tools of labor--threefold and household implements--6.8-fold.

The technology of producing folding furniture and wood panel houses will be introduced, the output of parquet and wood fiber board will also be assimilated. On the basis of the increase of the yield of lumber and the decrease of scraps of commercial timber it is planned to assimilate the technology of producing wood particle board, arbolite and vitaminous coniferous meal.

The focusing of the utmost attention on the protection and restoration of large forests is of especially great importance. It is planned to establish new tree nurseries and tree seed laboratories. Tree planting work will be performed on 14,000 hectares and reforestation work will be performed on approximately 50,000 hectares.

In Light Industry. During the 5-year period the footwear, spinning and knitwear factories in Ulaanbaatar and the carpet factory in Erdenet should begin to operate at the full rated capacity; it is planned to carry out the expansion of the Ulaanbaatar Sewing Factory and the Darhan Sheepskin Coat Factory and the construction of a new fulling and felt factory and a plant of fur items. All this will make it possible to expand the industrial processing of leather and wool. During the 5-year period the output of footwear, leather and fur items will increase by 31 percent, wool and wool items--2.2-fold, garments--15 percent.

Steps will be taken on the enlargement of the assortment of products, the improvement of the use of scrap material and the increase of the quality of items by means of the improvement of the primary processing and grading of wool and hides and the adoption of an advanced technology of their processing.

In light industry it is envisaged to assimilate the technology of producing especially soft chrome leather for the uppers of footwear, camel's-hair blankets and the synthetic tanning of the soles of footwear.

In the Food Industry. Steps on the further expansion of the capacities of food enterprises are envisaged. It is planned to put into operation a bread and confectionary combine, a dairy plant and a soap-making plant in Ulaanbaatar and to build food combines in 11 aymags and packing houses in 4 aymags.

The per capita industrial production of the main types of foodstuffs will increase considerably. In particular, the production of milk and dairy products will increase by 69.9 percent and of butter by 9.3 percent.

The assortment of food products will be enlarged and the nutritional and taste qualities will be improved. The deliveries to the trade network of foodstuffs in packaged and wrapped form will increase. The production of children's food products and convenience foods will be increased.

The measures aimed at the increase of the production, the enlargement of the assortment and the improvement of the taste qualities of food products by means of the use of local resources should be expanded in aymags and cities.

#### Capital Construction

#### Comrade deputies!

The great importance of capital construction in the matter of strengthening the material base of the entire national economy and in the fulfillment of the assignments of the 5-year plan is especially pointed out in the decisions of the 18th MPRP Congress.

During the 5-year period the total amount of construction and installation work will increase by 21 percent, including the amount of work performed by the forces of Mongolian construction organizations--by 46.6 percent.

In conformity with the decision of the party congress it is envisaged by the 5-year plan to concentrate capital investments and the forces of construction

organizations on the completion of previously begun projects and the construction of new ones which are of great importance for the increase of the resources of the national income and exports, as well as for the solution of priority social problems. During 1981-1985 it is planned to allocate more than 80 percent of the capital investments for start-up projects and to reduce by the end of the 5-year plan the amount of unfinished construction by 30 percent.

The 18th MPRP Congress advanced great demands on the increase of the quality of the plan of capital construction and the improvement of its balance and soundness. When drafting the 5-year plan special attention was devoted to the assurance of the co-ordination and balance of the program of construction and installation work with the capacities of contracting organizations and with the volume of the production and deliveries of construction materials.

Steps on the improvement of the supply of construction organizations with machines and machinery and the provision of construction workers with the necessary working tools and means of small-scale mechanization are envisaged. During the 5-year period the problem of setting up production bases for aymag and city construction and installation offices and trusts will basically be solved. It is planned to put into operation production bases of construction organizations for the erection of large-panel apartment houses in Ulaanbaatar and Darhan and to strengthen the production bases of a number of general construction and specialized trusts.

In all 3,000 specialists with a higher and secondary specialized education and 13,000 skilled workers will be sent to the construction industry. It is envisaged to build four new vocational and technical schools for the training of skilled workers for construction organizations and the construction materials industry.

It is envisaged by the plan to organize mobile construction brigades for the performance of contract work in regions with an insufficient supply of manpower, especially in the Gobi and eastern aymags.

It is planned to increase labor productivity in contracting construction and installation organizations by 23 percent.

The introduction of a progressive technology of construction, the extension of the performance of work according to the brigade contract method and the extensive use in this matter of the experience of Soviet construction workers should be considered important tasks of contracting organizations.

Relying on the experience of the Soviet Union and the other fraternal socialist countries in the area of planning, steps will be taken on the further improvement of planning and the system of financing of construction and installation work, the increase of the stimulation for turning over projects or capacities on the planned date or ahead of time, as well as the increase of the responsibility and the improvement of the coordination of the work of contracting and supply organizations and clients.

The strengthening of the dependence of the system of material stimulation on the achieved level of such indicators as the placement of capacities into operation, the increase of labor productivity and the decrease of the cost of construction and installation work is one of the important questions which should be settled in the near future.

The progress of the fulfillment of the plan of capital construction for 1981 shows that for various reasons the assignments on the placement of new projects into operation are being fulfilled unsatisfactorily.

The implementation of the large program of capital construction in 1982-1985 requires of construction organizations the year-to-year increase of the amount of construction and installation work being performed, the concentration of forces at start-up and the most important projects, the observance of planning discipline and the utmost economy of material resources. An exacting demand regarding the timely supply of construction organizations with the necessary materials, equipment and planning estimates is being made on the organs of material and technical supply and foreign economic relations and on the client ministries.

#### **The Development of Transportation and Communications**

The meeting of the increasing needs of the national economy and the population for transportation on the basis of the improvement of the organization of the operation of transport, the strengthening of its material and technical base and the improvement of the use of means of transportation is envisaged in the plan.

During the 5-year plan it is planned to increase the volume of traffic in all types of transport by 35.4 percent.

The improvement of the coordination of the operation of all types of transport, the speeding up of the delivery of freight, the extensive introduction of progressive methods of transportation and advanced know-how and the decrease of crosshauls, layovers and deadhead runs of means of transportation are an important condition of the accomplishment of these tasks.

The passenger turnover will increase by 26.7 percent.

The following basic measures, which are aimed at the strengthening of the material and technical base of transportation, will be implemented.

In Rail Transport. The enlargement of the fleet of locomotives and cars, the continuation of the work on the replacement of the superstructures of the tracks and the start of the work on the development of the Ulaanbaatar Railroad Terminal, the renovation of the locomotive depot, as well as the expansion of the Suhbaatar Station are envisaged. The work on increasing the length of the sections with semi-automatic blocking and the electrical centralization of switches will be continued. During the years of the 5-year plan permanent traffic will be inaugurated on the Bagahangay-Baga nuur railway line and the Dalanjargalan - Bor ondor line will be built. It is planned to implement measures on increasing the capacity on congested routes and increasing the capacities of railroad junctions. As a result of these measures during the Seventh Five-Year Plan in rail transport the freight turnover will increase by 35.8 percent, the passenger turnover will increase by 20 percent and the average daily productivity of locomotives will increase by 14.8 percent.

In Motor Transport. The implementation of measures on the enlargement of the vehicle fleet, the improvement of its repair and maintenance, the increase of the volume of centralized traffic and the improvement of the traffic control of freight traffic is envisaged.

It is envisaged to strengthen the production engineering base of common carrier and to build a number of garages and centralized and highway service stations. During the 5-year plan the capacity of petroleum storage tanks and bulk plants will increase by more than 70 percent, the length of hard-surface roads will increase by 26.5 percent. The construction of a number of bridges and the taking of steps to improve the use and maintenance of highways are planned. It is envisaged to begin the construction of the first section of trolleybus lines in Ulaanbaatar.

As a result of the implementation of measures on the strengthening of the production engineering base of motor transport and the improvement of its organization the average annual productivity of trucks will increase by 5.1 percent, the volume of the transportation of freight will increase by 32.7 percent and of passengers--by 28.3 percent.

In Air Transport. It is envisaged to build a new airport terminal in Ulaanbaatar and hard-surface runways in several aymags and to improve the technical supply and provision with amenities of airports. It is planned to augment the fleet of planes and to increase the quality of their repair and maintenance. During the 5-year plan the hourly productivity of a plane will increase by 8.1 percent, the passenger turnover will increase by 33.8 percent, while the freight turnover will increase by 16.1 percent.

Steps will be taken on the continuation of the creation of the unified communications network and the assurance of the operating reliability of the equipment.

Along with the placement into operation of a communications radio relay line on the Ulaanbaatar-Altay-Olgii route it is planned to build a line on the Ulaanbaatar-Ondorhaan-Choybalsan route and to expand the long-distance telephone and telegraph communications system.

It is envisaged to expand and renovate the telephone systems of cities and population centers and to increase the capacity of the telephone stations by 20.6 percent.

Steps will be taken on the improvement of the provision of communications of the centers of agricultural cooperatives and state farms with their production units.

Radio and television broadcasting will undergo further development. The construction of a radio studio in Ulaanbaatar is envisaged. In aymag centers and locally it is planned to increase by nearly fourfold the number of receiving stations through the Ekran system.

#### The Development of Foreign Economic Relations

Comrade deputies!

On the basis of the Comprehensive Program of Socialist Economic Integration and the long-term goal programs of the cooperation of CEMA member countries the economic, scientific and technical cooperation of our country with the Soviet Union and the other fraternal socialist countries is steadily being developed and the participation of the MPR in the international socialist division of labor is being expanded.

The measures stipulated in the agreements and treaties, which were concluded with CEMA member countries regarding questions of economic cooperation for 1981-1985, have been reflected in the 5-year plan. Particular attention is devoted to the efficient use of the technical and economic assistance of the countries of the socialist community for the solution of key problems of the socioeconomic development of the country, to the assurance of the placement into operation of the projects of cooperation on the agreed dates and to the timely training of personnel for them.

The amount of economic cooperation of our country with the Soviet Union in 1981-1985 will increase nearly twofold as compared with the preceding 5-year period. The economic assistance of the Soviet Union, as in the past, will be of decisive importance in the implementation of the most important measures on the strengthening of the material and technical base of agriculture, on the rapid development of the fuel, power and mining industries, the construction industry, transportation and other sectors of the national economy and on the increase of the well-being of the workers of our country.

During the Seventh Five-Year Plan with the technical and economic assistance of the Soviet Union more than 280 new projects will be built, about 60 industrial enterprises and economic organizations, which are of great national economic importance, will be renovated and modernized.

The activity of joint Mongolian-Soviet economic associations and enterprises will be expanded, their efficiency will be increased.

Recently there was the solemn transfer by the USSR Government to the MPR Government of large projects given as gifts in honor of the 50th anniversary of the proclamation of the MPR, which were built by the forces and assets of the Soviet Union and are of great importance in the social development of our country, particularly the housing construction combine in Darhan, the integrated facilities of radio broadcasting and telecommunications and general educational schools. This event is a new contribution to the cause of the strengthening and extension of the friendship between the Mongolian and Soviet people and the comprehensive cooperation of our countries.

Permit me, comrades, on behalf of the deputies of the MPR People's Great Hural and on behalf of the Mongolian people to express sincere and deep gratitude to the CPSU Central Committee, the Soviet Government and the great Soviet people for their unselfish, truly internationalist assistance and support in the matter of the development and prospering of our homeland.

In cooperation with the other CEMA member countries during the Seventh Five-Year Plan measures will be implemented on the construction, renovation and modernization of a number of industrial enterprises and economic organizations, the assurance of preparation for the development of individual deposits of minerals and the timely performance of geological prospecting, the training of specialists with a higher and secondary specialized education and skilled workers.

The foreign trade turnover of the country during 1981-1985 will increase by 60 percent, including exports by 66 percent. A substantial change will occur in the structure of exported products.

## On the State Plan to Develop the National Economy and Culture for 1982

Comrade deputies!

Owing to the developed national socialist competition for the implementation of the historic decisions of the 18th MPRP Congress and the fulfillment of the plan assignments of 1981--the first year of the five-year plan--and to the great political and labor activeness of the workers great gains have been made in the building of the economy and culture.

This year the amount of produced national income will increase by 7.2 percent, the plan of industrial production is being exceeded and the production of the gross output of agriculture is being increased by 6 percent as compared with the average annual level for 1976-180. For the country as a whole 9.1 million young animals were raised, the plan of the production of the main types of livestock products is being fulfilled.

In all 3.6 billion tugriks have been invested in the national economy and tens of industrial enterprises, economic organizations and other projects are being built.

The plan assignments on the increase of the well-being and the cultural standard of living of the people are being fulfilled.

Along with the achieved gains shortcomings in work and unsolved problems still exist.

The plan of the harvest of cereal crops, potatoes and vegetables and the procurement of fodder crops fell short by a considerable amount. The majority of aimags, with the exception of Bayan-olgiy, Dornod, Suhbaatar, Hentiy and Hobsgol Aimags, are permitting the upsetting of the plan on the increase of the livestock population. The plan assignments on the output and the increase of the quality of some types of industrial products are being inadequately fulfilled. Construction organizations are upsetting the plan of the turning over of a number of projects.

The Plan to Develop the National Economy and Culture for 1982 is a fundamental component of the Seventh Five-Year Plan.

A large number of specific measures, which are aimed at the increase of social production, the increase of the material well-being and cultural standard of living of the people on the basis of the expansion and strengthening of the material and technical base of the sectors of the national economy, the more complete mobilization of available reserves and the improvement of the quality of all work, have been outlined for 1982.

The production of national income will increase by 8.2 percent as compared with this year.

In all 3.9 billion tugriks will be invested in the national economy. On the basis of the concentration of capital investments and material resources at start-up projects it is planned to decrease the amount of unfinished construction by 18 percent.

The production of the gross output of agriculture will amount to 1.5 billion tugriks, which is 14 percent more than this year. The capital investments in agriculture will come to 646.4 million tugriks.

It is planned to increase the production of the gross output of industry by 8.9 percent as compared with 1981. The fuel industry, nonferrous metallurgy, the construction materials industry, metalworking and the textile industry will be developed at a leading rate. In industry fixed production capital in the amount of 2.7 billion tugriks will be put into operation and the task of increasing labor productivity and the level of profitability is being set.

The further development of all types of transportation and communications is envisaged.

Extensive measures on the increase of the material well-being and cultural standard of living of the people are reflected in the State Plan to Develop the National Economy and Culture for 1982. The monetary income of the population will increase by 5 percent. The volume of the retail commodity turnover of state and cooperative trade will increase by 4.7 percent and will come to 3.7 billion tugriks. Personal services for the population will be expanded.

A large number of apartment houses, schools, hospitals and other cultural and personal facilities will be built. In 1982 it is planned to put into operation 158,000 m<sup>2</sup> of living space.

Comrade deputies!

I have reported on the tasks of the Five-Year Plan to Develop the National Economy and Culture of the MPR for 1981-1985 and the State Plan for 1982, as well as on the problems to which attention should be directed.

The Seventh Five-Year Plan to Develop the National Economy and Culture is a specific program of the work of the workers of our country on the implementation of the historic decisions of the 18th MPRP Congress.

In his speech at the Third MPRP Central Committee Plenum Comrade Y. Tsedenbal indicated the need for the increase of all our work to a higher level, the tightening up of planning discipline, a creative approach to the fulfillment of the plan, especially the strengthening of monitoring and the enhancement of its role in order to fulfill and exceed the plan assignments and to ensure the accomplishment of the important and difficult tasks of the further economic and social development of our country.

The fulfillment and exceeding of the 5-year plan and the plan for 1982 will require considerable efforts from all the ministries, departments, aymags, cities and economic organizations and cultural institutions in the increase of production efficiency, labor productivity and work quality, the efficient use of available resources and the tightening up of the policy of economy. The development of socialist competition, the adoption of counterplans and a high level of organization and discipline in every workplace and at all levels of management should promote this.

The successful fulfillment of the assignments of the State Plan to Develop the National Economy and Culture of the MPR for 1981-1985 will be a new important step in the matter of building the material and technical base of socialism.

## REPORT ON 1982 STATE BUDGET AND 1980 BUDGET FULFILLMENT

Ulaanbaatar NOVOSTI MONGOLII in Russian 8 Dec 81 pp 2, 3

/Speech by MPR Minister of Finance E. Byambajab at session of the MPR People's Great Hural on 7 December: "On the MPR State Budget for 1982 and on the Fulfillment of the MPR State Budget for 1980"/

/Text/ Comrade deputies!

The MPR Council of Ministers is submitting for your examination and approval the MPR State Budget for 1982.

The Third MPRP Central Committee Plenum, having discussed the drafts of the plans to develop the national economy and culture of the country for the Seventh Five-Year Plan and for 1982, as well as the State Budget for 1982, determined the specific means of accomplishing the extensive tasks of building socialism and on the socio-economic development of the country, which were advanced by the 18th MPRP Congress.

The decisions of the MPRP Central Committee Plenum, the tasks and conclusions, which were advanced in the speech of General Secretary of the MPRP Central Committee and Chairman of the Presidium of the People's Great Hural Comrade Y. Tsedenbal, in which the most urgent tasks of the building of the economy are examined with adherence to party principles and the specific means of accomplishing them are specified, are the program of the further campaign for the increase of the economic potential of the country.

In his speech at the plenum Comrade Tsedenbal especially emphasized the importance of the development of the creative initiative and the increase of the responsibility of personnel for the assigned job and of the fundamentally great demand in the matter of the achievement of high end results of production, the careful use of material, manpower and financial resources, the steadfast observance of the principle of the policy of economy, the perfection of the system of management and planning, the improvement of the methods of management, the strengthening of the monitoring of fulfillment, the tightening up of labor discipline at all stages of social production and reproduction, in the area of distribution, supply and consumption and the fulfillment of the plan assignments of the Seventh Five-Year Plan. It is important for all party, state and economic organizations and labor collectives in their everyday activity and work on the fulfillment of the plan and the budget for 1982 to be steadfastly guided by these instructions of Comrade Y. Tsedenbal.

Our people, with much inspiration and great political and labor enthusiasm, have joined in the work on the accomplishment of the tasks of the new 5-year plan, which is an important stage on the road to the implementation of the program tasks of the MPRP on the completion of the building of the material and technical base of socialism on Mongolian territory, and are increasing even more their labor gains and achievements. The 18th MPRP Congress increased even more the creative activity of the workers of our country and their aspiration to speed up the growth rate of production, to steadily increase its efficiency and to fulfill and exceed the state plan. The Mongolian people, having united closely around their own MPRP and the Politburo of the party Central Committee headed by outstanding party and state leader Comrade Y. Tsedenbal and enthusiastically supporting the foreign and domestic policy being pursued by it, by their conscious creative labor are strengthening the economic might of the country, are increasing the public wealth and are contributing to the establishment of a lasting peace throughout the world.

The sphere of Mongolian-Soviet cooperation is broadening, the unselfish assistance of the Soviet Union to our country is increasing and is being enriched by new content and forms.

The traditional Crimean meeting of Y. Tsedenbal and L. I. Brezhnev, which took place in August of this year, made a new important contribution to the strengthening of the friendship between our two countries.

Recently the workers of our country jointly with the Soviet people festively marked the 60th anniversary of the signing of the Treaty of Friendship between People's Mongolia and Soviet Russia and the historic meeting of V. I. Lenin with Mongolian revolutionaries headed by D. Suhe-Bator.

It is a pleasure to note that another solemn event in the history of the friendship of our peoples has taken place these days--the Government of the Soviet Union presented as a gift to the MPR Government the Darhan Housing Construction Combine, the complex of a radio relay line and telecommunications and two secondary schools, which were built by Soviet construction workers.

The friendship and close cooperation of our country with the other fraternal socialist countries are being developed and strengthened, their assistance and support, which are being given to our country, are increasing.

The steps being taken on the implementation of the Comprehensive Program of Socialist Economic Integration and the long-range goal programs of cooperation are of great importance for the development of the economy of our country and the increase of the well-being of our people. This assistance and support are a real embodiment of Lenin's ideas and vivid evidence of socialist internationalism and are contributing to the economic, political and cultural convergence of our country with the socialist countries, first of all the comprehensive convergence with the Soviet Union.

Comrade deputies!

Permit me to report briefly on the preliminary fulfillment of the MPR State Budget for 1981. The year of 1981 was a year of important historical events.

Our people greeted them with great political and labor activism and as a result of the extensive development of socialist competition fulfilled with respect to the main indicators the plan assignments of 1981--the beginning year of the Seventh Five-Year Plan--and made considerable gains in increasing and strengthening the economic potential of our state.

The party, state, public and economic organizations and all the workers of our country received with much enthusiasm the assignments of Comrade Y. Tsedenbal on the fulfillment of the plan to develop the national economy and culture for this year with respect to the main quantitative and qualitative indicators and took effective steps on the increase of official responsibility and the tightening up of labor discipline in all the production units, which was an important factor of the increase of the output of products and the fulfillment of the plan.

As a result of the fulfillment of the plan on the raising of young animals for 1981 and the decrease of the losses of livestock, its population as compared with last year increased by more than 400,000 head, which provided an opportunity for the fulfillment of the plans of the procurement of the main types of products of animal husbandry, such as meat, wool, leather and so on.

In accordance with the anticipated fulfillment, in the main sectors of industry, such as the fuel and power, mining, light and food industries and at construction material enterprises, the fulfillment of the plan on the increase of labor productivity and the production and sale of products will be ensured. The plan of the profits will be exceeded by 4 to 5 percent due to the decrease of the expenditures per tugrik of commodity production.

The amount of performed construction and installation work in 1981 will exceed the 1980 level by 4.6 percent. The fulfillment of the plan of the freight turnover, the retail commodity turnover and export obligations with respect to the total as a whole and with respect to the main commodity groups is anticipated. The plan assignments for other sectors of physical production are also being successfully fulfilled, the tasks of developing public education, public health, science and culture are being realized.

Owing to the fulfillment of the 1981 plan on the main indicators the ministries of the fuel and power industries, light and food industry and the social economy and services, the State Committee for Material and Technical Supply, Dzabhan, Gobi-Altay and Hobd Aymags, as well as many other organizations are exceeding the obligations to the budget.

It is pleasant to name the leading enterprises and economic organizations, which know how to manage production units practically and to observe financial, credit, payment and settlement discipline, owing to which they constantly ensure the fulfillment of the plan indicators on the increase of labor productivity, the improvement of the quality of products and services and the increase of the output of products. The Mongolsovtsvetmet Joint Mongolian-Soviet Production Association, the Production Association of Woolen Items, the Darhan Combine of Silica Brick, the 1st and 27th Motor Transport Garages, the Main Administration of the Material and Technical Supply of Industry and others, which according to the anticipated estimates will exceed the annual plan on all the indicators as in preceding years, are among such leading enterprises and economic organizations. All the planned

national economic and sociocultural measures, as well as the additional steps taken in the middle of the year by the MPRP Central Committee and the MPR Council of Ministers will be completely backed by financial sources.

However, some ministries, departments and enterprises and organizations subordinate to them, which did not take effective steps on ensuring the fulfillment of the plan of production and the profit and the assignments on the decrease of the production cost, are faced with the fact of failing to meet the obligations to the budget.

Thus, the nonfulfillment of the plan of payments to the budget is expected for the ministries of state farms, transportation and trade and procurement, the woodworking combines of Ulaanbaatar and Tob Aymag, the geological expedition of Choyr, the Main Administration of Material and Technical Supply for Technical Assistance, the bulk plants of Tolgoyt and Darhan and the office of wholesale trade.

The nonfulfillment of the plan on the production of brick, concrete structural members, lumber, doors, window frames, felt boots, canned meat, butter, milk and dairy products, household soap and several other industrial and consumer goods is also anticipated, mainly due to the allowance of the idling of machines and equipment and mismanagement.

All this requires the taking of urgent steps.

In spite of the steps taken on the part of the state to strengthen the material base, to increase the wage and to improve the living conditions of the workers of the woodworking industry and forestry, the production cost of this sector is increasing, unscheduled losses are arising due to the constant idleness of production capacities and mismanagement, the plan on the increase of labor productivity, the output of products and the profit is not being fulfilled. Thus, this year the underfulfillment of the plan on the output of commodity production by 3 percent and the upsetting of the assignment on the increase of labor productivity and the plan of the profit are expected.

The executives of this ministry should draw the appropriate conclusions and take specific steps on the observance of planning and financial discipline and the increase of the cost effectiveness of the sector.

Not all of our economic organizations are directing adequate attention to the fact that the saving of raw materials and materials and their proper consumption are an important factor of the increase of production efficiency. The excessive consumption of physical assets in excess of the established norms, the waste and deficiency of raw materials and materials are occurring at some enterprises. Without the elimination of these shortcomings it is impossible to solve successfully the problems of the strictest policy of economy and the increase of the cost effectiveness of production.

While the party and the government are devoting much attention to the improvement of the supply of the population with food products and are waging a campaign for the careful use of each gram of flour and each kernel of grain, the Biological Combine, which is subordinate to the Ministry of Agriculture, during the first half of this year consumed 10.8 tons of wheat flour and 1.4 tons of lard in excess of the norm when manufacturing antibiotics, while the food combine of Dornogobi Aymag during 1980 and the first quarter of 1981 consumed 32.4 tons of flour, 13.8 tons of fat

and 1.1 tons of vegetable oil in excess of the norm for the output of products. The causes of such excessive consumptions should be carefully studied and established and specific steps should be taken to eliminate them.

Some construction and installation trusts and offices, which are subordinate to the Ministry of Construction and Construction Materials, during the first half of this year alone allowed the excessive consumption above the norm of building mortar by 1,247 m<sup>3</sup>, cement--148 tons, oil-base paint and drying oil--3.5 tons, reinforcing steel--36.7 tons, ruberoid and window glass--about 10,900 m<sup>2</sup> and thereby did damage in the amount of 500,000 tugriks. In case of the failure to make up these excessive material expenditures during the second half of this year the material incentive funds of the corresponding organizations should be reduced by this amount.

As a consequence of the allowance by state farms and fodder farms of an increase of the production cost and the upsetting of the plan of production and the profit by 19 to 61 percent, their planned losses will increase fivefold. This is a consequence of the inefficient organization at each farm of the work on the fall plowing, which is the basis for obtaining stable harvests. Due to the failure to fulfill the plan of fall plowing in 1981 by 4 to 19 percent the Halhin Gol, Dzuun-buren, Herlen, Baruun-Hara, Dzelter and Bornuur state farms lost an opportunity to obtain a harvest worth 1.2 million tugriks.

During the certification of the quality of 15 to 45 percent of the fall-plowed fields tilled by the Orhon, Tsagaantolgoy, Darhan, Dzelter, Baruun-Hara, Bayan-and Nayramdal state farms an unsatisfactory rating was received, while at the Chandgan State Farm all 5,000 hectares of tilled fall fields did not meet the requirements on quality and additional forces and assets were expended on its recultivation. The state of preservation and the use of mineral fertilizers, which are purchased abroad at high prices, are unsatisfactory.

A case was discovered, in which in July of this year at the Baruun-Hara and Darhan state farms 800 tons of mineral fertilizers were found out in the open, while the managerial personnel of these state farms had not taken concrete steps. Work on their use and safekeeping was organized only after the corresponding demand of assigned workers from the center.

At some state farms and fodder farms the poor quality tilling of the soil before planting is conducive to the growth of weeds and adversely affects the obtaining of large, stable harvests. The Tsagaantolgoy, Nayramdal and Burgaltay state farms fell short on the planned harvest of 1981 due to the poor quality tilling of the soil before planting; a significant portion of their planted areas was covered by weeds.

The improvement of the quality of the output being produced is one of the main sources of the increase of production efficiency. The proportion of products of the first quality category in the total volume of the commodity production of the sectors of the national economy is increasing as compared with 1980. However, according to the preliminary data, the upsetting of the plan of the increase of the proportion of products of the first quality category during 1981 is anticipated in the ministries of light and food industry, forestry and the woodworking industry, transportation, social economy and services and state farms.

A low indicator of product quality is observed at the woodworking combine, the repair plant of machinery and machines and milling and fodder enterprises as compared with the indicator for industry as a whole, while the quality of some types of products in the personal service sector decreased as against the level of last year. Such indicators as the improvement of product quality, the economy of raw materials and materials and the increase of labor productivity should be properly reflected in the counterplans and socialist obligations of enterprises, shops, departments and each worker and the attention and energy of the collective should be directed toward the assurance of their fulfillment.

The incorrect practice of putting the majority of projects into operation toward the end of the year is being continued primarily due to failure to ensure the preliminary coordination of the planning and technical specifications, material and technical supply and other preliminary operations with the plan and the schedule of production.

As of 1 October the fulfillment of the plan on the placement of production capacities into operation came to only 30 percent, while according to the preliminary estimate the annual plan might fall short of fulfillment by nearly 40 percent. About 60 percent of the unfulfilled amount falls to the Ministry of Construction and Construction Materials and to the construction organizations of agricultural cooperatives.

Uneven work in production is one of the main reasons for the nonfulfillment of the plan. Construction and installation organizations failed to fulfill the plan of the third quarter of this year by more than 9 million tugriks. Construction and installation organizations are faced with the urgent task of concentrating manpower, material and financial resources at start-up projects and of decreasing the amount of unfinished construction.

The 18th MPRP Congress especially emphasized the need for the improvement of the methods of management, the increase of the influence of the economic mechanism on the increase of production efficiency and work quality and the achievement of high end results.

For the purpose of the creative use of the experience of the Soviet Union in improving the economic mechanism with allowance made for the peculiarities of our country, it is necessary to analyze the activity of the enterprises and organizations, which are operating in accordance with the new system of planning and economic stimulation, to generalize their results and to draw the proper conclusion regarding the improvement and the strengthening of the influence of economic levers on the increase of production efficiency.

#### The MPR State Budget for 1982

Comrade deputies!

The Third MPRP Central Committee Plenum, having examined the draft of the MPR State Budget for 1982, for the most part has approved it.

The draft of the MPR State Budget for 1982 was drawn up on the basis of the indicators of the plan to develop the national economy and culture of the country, based on the realization of the immediate socioeconomic tasks, which were advanced

by the 18th MPRP Congress for the Seventh Five-Year Plan, and the fundamental aims and instructions on the key problems of the complete mobilization of internal reserves, the increase of the efficiency of production and services, the economical consumption of monetary and material resources as intended, the achievement of the maximum results with the minimum expenditures, the backing of planned measures with the necessary assets of continuous financing and the increase of the production potential of the sectors of the sphere of physical production by the preparation of stepped-up, but practicable plan indicators.

The MPR State Budget for 1982 is planned for revenues in the amount of 4,824,400,000 tugriks and expenditures in the amount of 4,814,400,000 tugriks with an excess of revenues over expenditures in the amount of 10 million tugriks.

#### On the Revenues of the State Budget

As compared with the 1981 plan the accumulations in the sphere of physical production of the national economy will increase by 12.7 percent or 574.7 million tugriks.

With respect to the main types the receipts of revenues of the State Budget are specified in the following amounts (in millions of tugriks):

	Plan for 1981	Draft of plan for 1982
1. Receipts from state and cooperative enterprises and economic organizations. . . . .	4330.5	4790.1
Including:		
turnover tax and difference in prices . . . . .	2985.3	3173.1
profit withholding taxes and net surplus of the profit. .	724.3	951.1
fee for capital . . . . .	262.6	300.3
revenues from forestry and hunting and other revenues .	199.7	201.6
revenues of social insurance. . . . .	158.6	164.0
2. Taxes and levies from the population. . . . .	32.1	34.3

The revenues from state and cooperative enterprises and economic organizations make up 99.3 percent of the total revenues of the state budget and their significant increase with respect to all sources attests to the tightness of the budget, and in this connection efficient steps on its fulfillment are required from the start of the year.

The taxes and levies from the population, as during the preceding year, make up only 0.7 percent of the total amount of revenues of the budget.

In addition to the plan assignments for industrial enterprises and economic organizations an additional assignment is envisaged on the increase of accumulations in the amount of 57.8 million tugriks by means of the increase of the profit in the amount of 3 percent per tugrik of revenues from the sale of products and the decrease of the planned losses in the amount of 5 percent per tugrik--losses of commodity production, as well as for budget-carried institutions by means of the saving of 1 mung per tugrik of approved administrative and management costs. Of this amount of accumulations 32.7 million tugriks will be paid to the State Budget and will be used for financing planned measures. For the purpose of fulfilling this

assignment, industrial enterprises and economic organizations should take from the very beginning of the year effective steps to mobilize internal reserves, on the basis of tight estimates which reflect the types and the amounts of the saving of raw materials, materials, fuel, water, steam and electric power and the means of increasing labor productivity and introducing advanced know-how in production, and should include them in the socialist obligations of each worker, the shops and departments, as well as should set up the monitoring of their fulfillment.

At the same time it is expedient to coordinate this work in the closest possible way with the fulfillment of the decisions of the 18th MPRP Congress on the development of the subsidiary farm as one of the measures on improving the supply of workers with food products.

There are many enterprises and organizations which are achieving a definite impact from the development of subsidiary farms. For example, the Administration of Public Dining of Ulaanbaatar by the efforts of its own workers planted and harvested more than 30 tons of some types of vegetables such as garlic, onions, cabbage and others, delivered 25 tons of pork from its subsidiary farm to organizations of public dining and procured 34 tons of nuts, berries and mushrooms, as a result of which it derived a net profit in excess of 180,000 tugriks. Such subsidiary farms should be encouraged and developed in every possible way. The proper determination of the development of the subsidiary farm, so that it would promote first of all the increase of resources of meat, dairy and vegetable products and would cover the expenses with its own revenues, is very important.

The use of internal reserves is one of the ways to obtain additional accumulations. Far from all our enterprises and organizations are utilizing their production waste.

It is expedient to establish on the basis of the experience of the Soviet Union a procedure of stimulating the production of consumer goods from production waste, as well as a procedure to increase the responsibility for not using waste products and other internal reserves.

In 1982 the profit of the sectors of physical production will increase by 386.9 million tugriks as against the plan of this year. It is planned to obtain nearly half of the increase of the profit by decreasing the production cost and reducing the expenditures on maintenance and services.

Each enterprise and organization should stipulate in the industrial and financial plans specific measures aimed at the reduction of the production cost and the costs of services and should fulfill them.

From the planned profit it is envisaged to leave at the disposal of enterprises and organizations 677.5 million tugriks, which will be allocated for the improvement of the supply of working capital, the formation of economic stimulation funds and other planned measures. About 50 percent of the monetary assets being left at the disposal of enterprises and organizations will be contributed to the economic stimulation funds.

When drawing up the draft of the State Budget much attention was devoted to strengthening the influence of the factors which promote the intensive development of social

production, such as the increase of labor productivity, the improvement of the use of fixed capital, the complete assimilation of production capacities, the decrease of material expenditures and others.

An increase of labor productivity by 1.1 to 1.4 percent and a decrease of the materials-output ratio by 1.5 to 6.9 percent, which is a stepped-up, but practicable assignment, are envisaged in 1982 in the sectors of industry, capital construction and transportation.

For the assurance of the fulfillment of this assignment an improvement of the style and methods of the management of the economy is required in order to mobilize and utilize internal reserves to the utmost and to eliminate unjustified losses of working time on the basis of the versatile measures which are being implemented by the party and the government on the introduction in production of modern equipment and technology, the improvement of the quality of the maintenance and repair of production equipment and the improvement of the living conditions of the workers, their technical education and cultural level.

Universal attention should be focused on the solution of the most important economic problems by the study and adoption of rationalization proposals and advanced know-how, new forms and methods in conformity with present requirements.

The creative adoption of advanced know-how in production is providing a considerable impact to the national economy.

In the national economic plan for 1982 it is envisaged to adopt in production 150 advanced experiments in 16 ministries and departments, as a result of which a profit in the amount of more than 20 million tugriks will be derived. The ministries and departments need to immediately elaborate and begin the implementation of specific measures for the purpose of deriving the indicated profit and to set up the proper monitoring of their fulfillment.

In 1982 the sectors of industry will account for 47.3 percent of the total profit of the national economy, about 60 percent of which will be provided by the reduction of the production cost.

An increase of the output of products of the Erdenet Joint Mongolian-Soviet Mining and Concentration Combine by 27.3 percent, a decrease of the production cost by 21.7 percent and an increase of the profit by 2.8-fold are envisaged; the payments to the budget will amount to more than 90 million tugriks. For the sectors of industry as a whole the production and sale of products will increase by 10.7 to 13.6 percent, the profit and accumulations--by 25.3 percent and the revenue of the state budget--by nearly 200 million tugriks as compared with the 1981 plan.

By means of the expansion and the increase of the capacities of the Nalayha, Sharyn Gol, Tabantolgoy and Aduunchuluun coal mines, some electric power stations, the lines of heating systems and centralized boiler houses, the production of the gross and commodity output of the fuel and power sectors will increase by 7.5 to 8.7 percent and their payments to the state budget will increase by 16.0 million tugriks.

In the sector of light and food industry the accumulation will increase by 11.5 percent and 54.8 percent of its increase will be provided by the decrease of the production cost on the basis of the economy of raw materials and materials and the increase of labor productivity. By means of the increase of product quality alone in this sector it is envisaged to derive an additional profit in the amount of 10.3 million tugriks. As a result of this for light and food industry the payments to the budget in 1982 will increase by 10.8 percent or 58.9 million tugriks as compared with the preceding year.

An increase of the production and sale of the products of forestry and the woodworking industry by 7.3 to 8.1 percent as against 1981 is envisaged. In conformity with this a 10.6-percent increase of the profit is being planned on the basis of the decrease of the production cost, the improvement of the use of production capacities, the increase of the quality of lumber and the use of the felled timber without losses. In this connection the payments from the enterprises of the Ministry of Forestry and the Woodworking Industry to the budget will increase by 8.8 percent.

In recent years an extensive opportunity for the increase of labor productivity and production efficiency in all the sectors of the sphere of physical production has been created as a result of the allocation by the state of considerable assets for the extensive introduction in production of advanced technology and modern highly productive machines and equipment and for the mechanization and automation of production processes. Therefore, it is necessary to organize production and labor efficiently with allowance made for the best use of the above-indicated opportunities, to increase sharply the responsibility and discipline of workers, engineering and technical personnel and management workers, to improve the use of fixed production capital, machines and equipment, not to allow downtimes, to increase the shift coefficient and to completely assimilate production capacities; all this is the most important task of all industrial enterprises.

In 1982 it is planned to provide more than 30 percent of the total decrease of the production cost in the sectors of industry by the economy of raw materials and materials. For this, starting with the production posts, shops and departments and ending at the level of associations, steps should be taken on decreasing their specific expenditures.

The economical and efficient use of material resources not only leads to a decrease of the need for raw materials, materials, fuel, gasoline, fuel and lubricants, but also provides a great opportunity to decrease their import and to use carefully the allocated assets and manpower resources in the extractive sectors.

The ministries, departments, aymag and city executive committees of the assemblies of people's deputies should establish for their subordinate enterprises and organizations, with allowance made for the peculiarities of their economic operations, specific assignments on the economical consumption of raw materials, materials, fuel and lubricants, electric power, water and steam by the decrease of the materials-output ratio of products, the increase of the yield of products, the decrease of defective production, which occurs in the technological process of production, the improvement of the use of production waste and its secondary processing in accordance with the established plan assignments.

In conformity with the decisions of the MPRP Central Committee Plenum the problems of the improvement of the monitoring of the economical consumption of raw materials

and materials, the stimulation of industrial enterprises, economic organizations, collectives and individual workers, which are achieving positive results in this matter, and the imposing of material liability for allowed overexpenditures with the recovery of the amount of damage from the guilty parties should be solved.

In conformity with the achieved level of the development of agriculture and the increasing need for the supply of the population with food products and industry with raw materials, in 1982 the volume of the production of agricultural products will increase considerably.

On the basis of the increase of fallow land and irrigated planted areas, the increase of the amount of use of high grade seed and fertilizers, the stepping up of the work on weed control and the improvement of the provision of livestock with barns, fodders and water, in 1982 a decrease of the cost of the commodity production at state farms and fodder farms by 3.3 percent and at agricultural cooperatives by 2.5 percent is envisaged by the increase of the productivity of livestock and the yield of agricultural crops, the economical consumption of seed, fertilizers, fuel and lubricants and the stepping up of the campaign against displays of mismanagement. This will enable state and cooperative agricultural organizations to contribute 78.5 million tugriks to the revenue of the State Budget.

The amount of work performed by construction and installation organizations as against the 1981 plan will increase by 9.5 percent, labor productivity--4.5 percent, the profit--18.5 percent, the program of geological prospecting--2.2 percent, which will enable them to contribute to the revenue of the state budget more than 70 million tugriks. The plan of capital construction provides for the concentration of forces and assets at start-up projects, the fulfillment of which will ensure an increase of the fixed capital being put into operation by more than 40 percent as against this year. This requires particular attention to be directed from the very beginning of the year to the efficient use of materials, equipment and manpower resources for the purpose of the planned and successful fulfillment of the plan of start-up projects.

Construction and installation organizations need to take steps on the increase of production efficiency by the extensive use of prefabricated metal structural members, the mechanization of labor-consuming processes and the increase of the skills of workers and labor productivity.

It is also necessary to perform much work on the increase of the readiness of construction machines and machinery for operation and their utilization ratio and on the supply of local production bases and brick plants with inexpensive local raw materials and the increase of the use of the assimilated capacities.

With allowance made for the increase of the production program, the amount of purchased petroleum products and other goods, the considerable increase of the level of maintenance and the quality of repair on the basis of the strengthening of the material and technical base at the organizations subordinate to the Ministry of Transportation an increase of the utilization ratio of the fleet by 2.9 percent, an increase of the productivity of motor vehicles by 1.3 percent, an increase of accumulations by 7.2 percent and an increase of the payments to the budget by 33.6 million tugriks as against the 1981 plan are planned.

In conformity with the planned increase of the volume of services rendered to the population by 9.6 percent, the expansion of the network of personal service organizations and the improvement of their technical supply, the revenues of the organizations subordinate to the Ministry of Social Economy and Services will increase by 7.3 percent, the profit--14.4 percent, the payments to the State Budget--14.7 percent as against the 1981 plan.

In connection with the increase of deliveries of goods and the volume of their sales and with the plan assignment on the reduction of the marketing cost, the payments to the State Budget from organizations of the sector of trade and material and technical supply will increase by 7.5 percent as against the 1981 plan.

For the successful realization of the immediate tasks on the socioeconomic development of our country the ministries, departments, enterprises and economic organizations are faced with responsible tasks on the fulfillment in 1982 of the plan of payment of assets to the revenue of the State Budget.

#### On the Expenditures of the State Budget

Comrade deputies!

In 1982 the expenditures of the MPR State Budget will increase by 10.6 percent and will amount to 4,814,400,000 tugriks.

The expenditures of the State Budget for 1982 by the main directions will be (in millions to tugriks):

	1981 plan	Projection for 1982
1. National economy. . . . .	1614.9	1870.2
2. Sociocultural measures. . . . .	1827.6	1934.6
3. Defense and administration. . . . .	823.5	867.0

With allowance made for the needs of the development of the national economy and culture of the country the expenditures of the State Budget are planned with the corresponding increase in all the main directions. The measures outlined by the 18th MPRP Congress on the further increase of the well-being of the people have found full reflection in the State Budget of the country for 1982.

Starting in 1982, for the purpose of strengthening agricultural production and increasing the standard of living of the rural population, in conformity with the main directions of the development of the national economy and culture during the Seventh Five-Year Plan measures will be implemented to increase the procurement prices for some types of products of animal husbandry and to stimulate the increase of the volume of procurement.

During the year being planned measures will also be implemented on the granting of old-age pensions to the members of agricultural cooperatives, in the same way as to workers, and to male employees upon reaching the age of 60 and to female employees upon reaching the age of 55, as a result of which many will begin to receive an old-age pension in the system of state social security.

Measures on the increase of the benefits for people, who are attracted in an organized manner to a permanent job at agricultural associations and state farms of some aymags, are planned.

Starting in 1982 steps will be taken to stimulate young workers and livestock breeders for the purpose of increasing their interest in a permanent job at the placement of their assignment and decreasing the turnover of manpower.

The necessary assets are provided in the budget for the implementation of the measures, which were begun in 1981 and are being continued during the year being planned on the improvement of the working and living conditions of construction workers, the payment to them of increments for a continuous length of service, on the provision of medicines to children up to the age of 1 free of charge, the accommodation of the disabled and children up to the age of 16 with prostheses and orthopedic devices and on the increase of the salaries of the engineering and technical personnel of electric power stations and electric and heating systems.

In 1982 it is envisaged to allocate about 80.0 million tugriks from the State Budget for the financing of the outlined measures.

In 1982 the monetary income of the population will increase by 5 percent and the assets of the public consumption fund will increase by 5.2 percent as against 1981.

For the provision of the population with apartments with all modern conveniences it is envisaged during the year being planned to build apartment houses with a total area of 158,000 m<sup>2</sup>, which will make it possible to improve the housing conditions of more than 28,000 people.

#### The Financing of the National Economy

In 1982 5,292,800,000 tugriks will be allocated for the financing of the national economy from all sources of financing, including the internal assets of enterprises and economic organizations and bank credit for the purpose of the strengthening of the material and technical base of the sectors of the sphere of physical production, the increase of the supply of working capital, the placement of new projects and capacities into operation, the performance of start-up and adjustment work, the training of skilled workers and the covering of the difference in prices, which is used in some economic organizations.

Among them 1,899,500,000 tugriks from all sources of financing are envisaged for the financing of the sectors of industry.

In conformity with the decisions of the 18th MPRP Congress the fuel and power industry will be developed at a leading rate; in 1982 it is envisaged to channel into this sector about 50 percent of all the assets invested in the sectors of industry.

For providing children with inexpensive clothing of a wide assortment and for covering the difference in the prices for children's clothing in 1982 33.6 million tugriks will be allocated from the State Budget.

It is planned to spend through all sources of financing on the development of agriculture 1,055,000,000 tugriks, including 582.8 million tugriks from the State

Budget. These assets will be allocated mainly for the building of barns, the irrigation of planted areas and the watering of pastures, the mechanization of agricultural production, the maintenance of the veterinary service, the performance of preventive veterinary measures, the transportation of fodders, as well as the meeting of the unplanned losses which occurred in 1981 due to the shortfall of the yield per hectare at some state farms and fodder farms, the provision of assistance to needy agricultural cooperatives and the increase of state procurement prices for some types of products of animal husbandry. Allocations in the amount of more than 200 million tugriks will be earmarked solely for the maintenance of the veterinary service, the performance of preventive veterinary measures and the transportation of fodders.

The Ministry of State Farms and the Ministry of Agriculture, as well as the aymag executive committees should direct special attention to the efficient expenditure of the assets being allocated for the development of agriculture and should take the appropriate steps on increasing the return of the invested assets.

The party and the government are constantly displaying concern and taking steps to strengthen agriculture economically and financially. During the Sixth Five-Year Plan as a result of the increase of the procurement prices for some types of products of animal husbandry and the increase of price markups in the regions of the Gobi Desert the monetary revenues of agricultural cooperatives increased by more than 150 million tugriks.

During this period 52 agricultural cooperatives, which were in financial straits, were exempted from the repayment of short-term and long-term credits in the amount of 27.8 million tugriks, 103 agricultural cooperatives received deferment in the repayment of credits in the amount of 124.6 million tugriks. About 400 million tugriks were allocated from the budget just for covering the transportation costs for the delivery of fodders for livestock, which were purchased by agricultural cooperatives from the State Reserve. Moreover, about 300 million tugriks were allocated from the budget for the further stimulation of the fulfillment and exceeding of the production plans, the purchase from agricultural cooperatives of commercial wheat at incentive prices, the markup for the fatness of livestock for slaughter, the covering of the losses of boiler houses and dairy farms and the expenditures on the operation of irrigation systems.

However, some agricultural cooperatives are not devoting proper attention to the increase of the cost effectiveness of production. For example, the Hogjil Agricultural Cooperative of Ondorshireet Somon of Tob Aymag, which is under comparatively favorable climatic conditions, is operating at a loss, due to insolvency in 1978 it was exempted from the repayment of short-term bank credit in the amount of 1.5 million tugriks and received deferment of the repayment of credit in the amount of 3.1 million tugriks until 1987. Thus, 1.5 million tugriks were allocated from the budget for strengthening its material and technical base, but the monetary revenues of this agricultural cooperative do not exceed the achieved level of 1975, but, on the contrary, for the past 6 years in a row losses from production have been permitted, and at present it is insolvent and has 7 million tugriks in unsecured credits. Unfortunately, a significant portion of the agricultural cooperatives, which have turned out to be in financial straits, are located in Tob and Arhangay Aymags, which are under comparatively favorable climatic conditions. This is a consequence of the inadequate mastery of economic methods of production management

and the lack of initiative among agricultural specialists who work in production, which does not meet the requirements of today.

Such insolvent agricultural cooperatives also exist in other aymags, which requires that the appropriate steps be taken to increase the cost effectiveness of agricultural production and to promote the economic methods of managing agricultural cooperatives.

Guided by Decree No 15 of the MPRP Central Committee and the MPR Council of Ministers of 1978, the chairmen and specialists of agricultural cooperatives and the executives of the aymag and executive committees of the assembly of people's deputies need to take urgent steps on the elimination of the existing shortcomings in economic operations.

From all sources of financing 381.2 million tugriks will be allocated for the development of transportation and communications. These assets will be used mainly for the expansion of the service area, the strengthening of the material base, the improvement of the supply with communications equipment and rolling stock, the increase of their capacity, the increase of the standard of internal working capital and the covering of planned losses.

In all 554.2 million tugriks will be allocated for trade and material and technical supply, including 473 million tugriks at the expense of assets of the State Budget.

The further increase of the assistance of the USSR and the fraternal socialist countries and trade and economic cooperation with them are one of the main factors of the intensive socioeconomic development of the country, which was reflected in the State Budget for 1982.

#### The Financing of Capital Investment

Comrade deputies!

As a result of the increase of capital investments in the national economy from year to year the economic potential of the country is increasing and the material and technical base of the national economy is being strengthened. Changes are being observed in the concentration of assets at start-up projects.

The Soviet construction workers who are working in our country are laboring tirelessly and are building many projects in the sectors of industry, agriculture and other sectors.

In 1982 the capital investments in the national economy for all sources of financing are envisaged in the amount of 3,948,100,000 tugriks, including 1,813,100,000 tugriks from internal sources.

The internal sources of the financing of capital investments are (in millions of tugriks):

	Plan for 1981	Draft of plan for 1982
Assets of State Budget. . . . .	590.2	681.9
Internal assets of enterprises and organizations. . . .	397.8	428.2
Long-term bank credit . . . . .	400.0	400.7
Centralized assets of amortization deductions for complete replacement (include part of the assets of amortization deductions for capital repair) . . . . .	350.1	302.3

The assets being allocated from the State Budget for the financing of capital investments will increase by 15.5 percent as against 1981. It is envisaged to allocate 107.1 tugriks from the State Budget for the strengthening of the material base, the improvement of the supply of construction and installation and geological prospecting organizations with working capital and the increase of the amount of geological work.

The successful accomplishment of the main socioeconomic tasks of the development of the country in many ways depends on the gains of construction and installation organizations. Some ministries, contracting organizations and clients are permitting the dispersal of assets among numerous projects, are dragging out the periods of construction and the installation of equipment and are not ensuring the fulfillment of the plan of the placement of fixed capital into operation, which is leading to an increase of unfinished construction. It is necessary to analyze these shortcomings, to establish the causes of their occurrence and to take steps on the concentration of all manpower, material and financial resources at start-up projects.

Nature conservation and the efficient use of natural resources are a problem of national economic importance and assets in the amount of more than 120 million tugriks are being allocated from all sources of financing for these purposes.

#### Expenditures on Sociocultural Measures

Comrade deputies!

The assets necessary for the implementation of the measures, which are planned in 1982 for meeting the sociocultural needs of the population, are reflected in the national economic plan and the State Budget. The allocations for sociocultural measures will increase as compared with last year by 5.9 percent or 107 million tugriks and will amount to 1,934,600,000 tugriks. Among them the financing for public education will amount to 840.9 million tugriks, health and physical culture--432.9 million tugriks, science, culture and art--145 million tugriks, social security and social insurance--515.8 million tugriks.

Moreover, more than 190 million tugriks will be allocated for these purposes from the internal assets of state, public and cooperative organizations and from other sources.

In conformity with the national economic plan the number of students at general educational schools will increase by 2.4 percent, at specialized secondary and vocational and technical schools--0.4 to 4.7 percent, at higher educational institutions--3.0 percent. In 1982 the number of children at boarding schools will

increase by 1.9 percent, at kindergartens--5.8 percent. Along with the taking of steps to strengthen the educational and material base of public education organizations, 11 incomplete and complete secondary schools and 20 kindergartens will be newly opened.

Taking into account the implementation of measures which are aimed at the obligatory obtaining of a secondary education by all children of school age, the increase of the general educational level of workers and the improvement of the quality of the training of skilled personnel, the expenditures on public education will increase by 26.4 million tugriks as against 1981.

Measures on the stepping up of prophylactic work among the population, the protection of the health of mother and child and the broadening of medical services of narrow specialization to the rural population are called for in 1982.

A clinical hospital, 4 medical centers and 13 nurseries will be newly built, children's polyclinics will be opened in several aymags, as a result of which the number of beds in hospitals will increase by 3.8 percent, while the number of places in children's nurseries will increase by 3.2 percent. With allowance made for the implementation of the indicated measures, as well as for the improvement of the supply of operating medical institutions with equipment and their provision with medicines and food products, the expenditures on health will be increased by 48.1 million tugriks, or 13.1 percent.

In 1982 67.2 million tugriks will be allocated for the strengthening of the material base of scientific organizations and the performance of scientific research.

It is important for scientific research organizations to concentrate their attention on those problems, the solution of which is needed by the sectors of the national economy, to introduce scientific discoveries more rapidly in production, to increase their economic return and to increase the amount of work in accordance with economic contracts.

For the improvement of the material supply of organizations of physical culture and sports, for the training and education of athletes, competitions and other sports measures 18.5 million tugriks will be allocated from the budget. In the intensive development of physical culture and sports it is important to utilize internal reserves as fully as possible.

It is envisaged to allocate 36.4 million tugriks for the financing of institutions of culture and art with allowance made for the planned measures on the improvement of the use of the seats at aymag and city theaters and palaces of culture and on the creation in some places of clubs, reading rooms and other measures.

Owing to the comprehensive assistance of the Soviet Union the services of radio and the television service are being expanded, the length of the Orbita program over the radio relay line is being increased, the number of television broadcasting stations of Ekran-ChM is being increased and radio relay lines will be put into operation in Hobd and Bayan-Olgii Aymags. More than 60 million tugriks will be allocated from the State Budget for these purposes.

It is envisaged to allocate 351.8 million tugriks from the State Budget for payments of grants to mothers with many children and old-age and disability pensions and payments to people who have lost their breadwinner.

In connection with the strengthening of the material base of sanatoriums and vacations homes and the increase of the number of vacationers by 8 percent the allocations for social insurance will be increased by 3.4 percent and will amount to 164 million tugriks.

#### The Financing of Defense and Administration

In conformity with the decisions of the 18th MPRP Congress the MPR is steadfastly pursuing a policy which is aimed at the peaceful coexistence of countries with different social systems, the establishment of detente throughout the world and the strengthening of peace and world security.

The preservation of peace on earth was and remains the highest goal of the foreign policy of our state.

The Mongolian people have always approved of and supported the foreign policy of the party and the government, which is aimed at the strengthening of peace and security throughout the world and especially in Asia. The problems of the development of normal and neighborly relations between the peoples and countries of this continent have constantly been at the center of attention of the Politburo of the MPRP Central Committee, the Presidium of the People's Great Hural, the government and Comrade Y. Tsedenbal personally. The necessary expenditures on the defense of the country are provided for in the 1982 State Budget.

With allowance made for the need for the constant improvement of the methods of managing the national economy the expenditures on administration are planned at the 1981 level.

While mastering the Leninist style of work, increasing the adherence to principles, demandingness, responsibility, discipline and good organization and observing the optimum proportions of managerial workers and performers, it is necessary to eliminate the unnecessary units and staffs in the organs of administration and to increase the return of the assets spent on the pay of the administrative staff.

All organizations are faced with the urgent task of organizing concrete work on the improvement of the methods of management and the running of the economy to the level of today's planning tasks, the steadfast observance of staffing and budgetary discipline and the assurance of the fulfillment of the set tasks with the smallest staff of administrative personnel by increasing their workload.

The question of the improvement of the use of assets by the stepping up of accounting, checking and auditing work at all the stages of economic operations and the steadfast observance of legal statutes should constantly be at the center of attention of ministries, departments, state committees, aymag and city executive committees of the assembly of people's deputies. The violation of the provisions of Decree No 31 of the MPRP Central Committee and the MPR Council of Ministers on the stepping up of the campaign against the falsification of reports and the results of the fulfillment of the state plan and the obligations of socialist competition, the concealing of existing shortcomings in work and the deception of the party and the

people is being tolerated at some organizations. I will cite one example: the trust of trade and procurement of the city of Olgii of Bayan-Olgii Aymag, having upset the plan of procurements for 1981 for 11 types of raw materials, purchased from the offices of trade and procurement of other somons 23 kg of goat's wool and 150 horsehides and included them in the fulfillment of the plan. Along with this, this trust sold to organizations of trade and procurement of other somons 90 horsehides and 3,000 sheepskins, which had already been procured by the state. Moreover, having failed to fulfill the plan of the commodity turnover for November 1980 by 22 percent, it drew up a false report, in accordance with which it had ostensibly fulfilled the plan by 102 percent and illegally received a bonus in the amount of 12,700 tugriks, thereby having done harm to the state.

It is necessary to step up everywhere the campaign against such malicious violations as the deception of the party and the state and the embezzlement of state property.

In order to successfully fulfill the national economic plan and the State Budget with respect to all the quantitative and qualitative indicators and to ensure the increase of socialist property, the ministries, departments, enterprises and organizations need to mobilize internal resources as much as possible and to increase sharply work quality and production efficiency, to do away with unproductive expenditures, to eliminate defects in work, to tighten up internal financial monitoring and to improve accounting and reporting.

This in turn requires the increase of the skills of the workers of accounting and the economic service and their responsibility for the reliability of the accounting and reporting data, the safekeeping of socialist property, the quality of stock-taking and the state of the economy of the works and production efficiency, as well as the imposition of penalties on the guilty parties.

Financial, banking and statistical organs, ministries, departments, state committees, aimag and city executive committees of the assembly of people's deputies are faced with the tasks of intensifying the work on the creative implementation of the decisions of the Second Republic Conference of Accountants, Financial, Bank and Statistical Workers, which was held in 1980, on the complete adoption of primary accounting, the timely repayment of accounts payable and accounts receivable and on the prevention of violations of financial discipline.

## Local Budgets

Comrade deputies!

The amount of the local budgets comes to 1,709,000,000 tugriks, that is, is increasing as compared with last year by 68.5 million tugriks.

The MPR Council of Ministers is submitting for the approval of the session the revenues and expenditures of the aymag and city budgets for 1982 in the following amounts:

- |                                |                      |
|--------------------------------|----------------------|
| 1. Arhangay Aymag . . . . .    | 75.0 million tugriks |
| 2. Bayan-Olgii Aymag . . . . . | 67.8 million tugriks |
| 3. Bayanhongor Aymag . . . . . | 64.8 million tugriks |

4. Bulgan Aymag . . . . .	50.6 million tugriks
5. Gobi-Altay Aymag . . . . .	67.4 million tugriks
6. Dornogobi Aymag . . . . .	47.1 million tugriks
7. Dornod Aymag . . . . .	66.2 million tugriks
8. Dundgobi Aymag . . . . .	49.3 million tugriks
9. Dzabhan Aymag . . . . .	83.4 million tugriks
10. Oborhangay Aymag . . . . .	73.8 million tugriks
11. Omnogobi Aymag . . . . .	48.3 million tugriks
12. Suhbaatar Aymag . . . . .	48.7 million tugriks
13. Selenge Aymag . . . . .	78.2 million tugriks
14. Tob Aymag . . . . .	80.2 million tugriks
15. Ubs Aymag . . . . .	73.4 million tugriks
16. Hobd Aymag . . . . .	72.1 million tugriks
17. Hobsgol Aymag . . . . .	85.0 million tugriks
18. Hentiay Aymag . . . . .	61.4 million tugriks
19. City of Darhan . . . . .	67.1 million tugriks
20. City of Ulaanbaatar . . . . .	425.5 million tugriks
21. City of Erdenet . . . . .	23.7 million tugriks

In the total amount of the local budgets the receipts from industrial enterprises and economic organizations will amount to 98.0 percent, while those from the population will amount to 2.0 percent. On the total amount of expenditures 20.2 percent are being allocated for the financing of the national economy, 74.7 percent--for sociocultural measures and 5.1 percent--for administration and other measures.

The development of the creative activity of organizations and collectives, the increase of the official responsibility and labor discipline of people and the transformation of the monitoring of fulfillment into an effective means of the prompt elimination of identified shortcomings and the assurance of the unity of word and deed for the fulfillment of the plan and the budget on the basis of the creative implementation of the decisions of the 18th MPRP Congress and the increase of the indicators of quality and efficiency are becoming an important task of the ministries, departments, aymag and city executive committees of the assembly of people's deputies, legal, planning, financial and economic organs.

The report on the fulfillment of the MPR State Budget for 1980 is being submitted to this session for approval.

The MPR State Budget for 1980 was fulfilled with respect to revenues in the amount of 4,073,300,000 tugriks and expenditures in the amount of 4,044,000,000 tugriks with an excess of revenues over expenditures in the amount of 29.3 million tugriks. At the same time 99.2 percent of the revenues of the State Budget were received from the socialist sector, 40.4 percent of the allocations were channeled into the financing of sociocultural measures and 38.5 percent were channeled into the development of the sectors of the national economy.

Comrade deputies!

The MPR Council of Ministers asks this session to approve the submitted draft of the State Budget for 1982 and the report on the fulfillment of the State Budget for 1980.

For the smooth fulfillment and exceeding of the plan and the budget of the country for 1982 with respect to all the quantitative and qualitative indicators it is necessary to improve organization and to increase responsibility and discipline at all the stages of activity, to improve further the methods of management and the running of the economy and to develop the initiative and creative activity of the workers.

There is no doubt that our people will successfully fulfill the plan assignments of the second year of the new 5-year plan and will make an important contribution to the implementation of the decisions of the congress of our party.

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## MPR TRADE RELATIONS WITH CEMA COUNTRIES EXAMINED

Moscow EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV in Russian No 2, 1982  
pp 8-10

[Article by Yondongiyn Ochir, MPR Minister of Foreign Trade: "Foreign Trade Between the MPR and the Other CEMA Member Nations"]

[Text] MPR foreign trade, as a sector of the nation's economy, is of a special character dictated by this country's historical development.

In the MPR all sectors of the economy are closely interlinked with foreign trade. Our country meets its machinery and equipment needs by more than 90 percent through imports, its requirements in crude oil, refined products and rolled ferrous metals by 100 percent, and consumer goods by 50 percent.

A direct influence on growth in MPR foreign trade, improvement of its structure and broadening of the variety of goods is exerted by cooperation with the other CEMA member nations, which is developing in many directions. Today they account for more than 97 percent of the MPR's foreign trade.

In 1976-1980 foreign trade between the MPR and the USSR grew briskly in conformity with the Directives of the 17th Congress of the MPRP and the 25th CPSU Congress on the basis of the general policy line determined during talks between party-government delegations of the two brother countries in 1976.

As a result of implementation of long-term trade agreements covering 1976-1980, concluded on the basis of coordination of national economic plans, the greatest trade volume was achieved with the Soviet Union. The USSR is the main exporter to our country of both producer and consumer goods. It supplies more than 90 percent of all the machinery and equipment we import, plus the bulk of consumer goods. Today the list of goods received from the USSR includes more than 40,000 product items.

The MPR in turn exports agricultural products to the USSR and the other CEMA member nations, for the most part livestock products, as well as products of light industry and the food processing industry. In addition, as a result of movement on-line of industrial enterprises built with the technical and economic assistance of the Soviet Union and other CEMA member nations, our country is increasing year by year deliveries to these countries of finished

manufactured goods and semifinished goods. In particular, the Mongolian-Soviet Erdenet Mining and Concentration Combine is playing a large role in increasing the export capabilities of the MPR.

An intergovernmental agreement dated 27 May 1976 specified an extensive program of comprehensive assistance to the MPR by the Soviet Union in its across-the-board social and economic development. This agreement specified construction of approximately 240 facilities in this country, in all branches and sectors of the economy. The volume of construction and installation work performed in the last five-year plan was equal to the total volume accomplished in the preceding three five-year plans combined. Other CEMA member nations have also made a significant contribution toward building the material and technological foundation for socialism in the MPR. As a result, our country's fixed productive assets increased by 70 percent over the five-year period.

The Basic Directions of Development of the National Economy and Culture of the MPR in 1981-1985 state that the main task of the Seventh Five-Year Plan is to secure the advance of social production and to increase its efficiency on the basis of labor productivity growth, adoption of scientific and technological advances and advanced know-how, substantial improvement in utilization of production facilities, as well as material, financial, and labor resources, further growth in the country's economic potential, and achievement of a steady improvement in the people's living standards.

In connection with this, targets in the Seventh Five-Year Plan include increasing the volume of aggregate social product by 41-45 percent, national income by 38-41 percent, fixed assets of the national economy by 55-60 percent, including productive assets by 60-65 percent, accelerated development of the mining industry, an increase in the degree of processing of livestock raw materials, and increased manufacture of consumer goods.

Essential conditions for successful accomplishment of these tasks include maximum mobilization of internal resources, all-out improvement in the quality of work performed, efficient utilization of the steadily growing technical and economic assistance by the Soviet Union and the other brother nations, and securing on this basis of comprehensive development and improved efficiency of societal production.

Long-term trade agreements were signed as a result of coordination of the national economic plans of the MPR with the CEMA member nations for 1981-1985. In conformity with these agreements, trade between the MPR and these countries will increase by 50-55 percent during the five-year period, including a 55-60 percent increase in exports and a 48-52 percent increase in imports.

Our trade partners will be shipping to the MPR increasing quantities of machinery and equipment, building materials, consumer goods, and foodstuffs. In return they will receive goods produced by enterprises built with their technical and economic assistance, as well as traditional Mongolian export goods.

We should make particular mention of the fact that a number of CEMA member nations have established special foreign trade incentive prices on the principal livestock products exported by the MPR. This has made it possible in the last five-year plan to carry out a number of measures to strengthen the material and technological foundation of livestock raising in the MPR and to raise the people's living standards. This is also of great importance to us in the current five-year plan.

As in the past, the Soviet Union is our principal trade partner. Mutual trade between the two brother countries will increase by 60 percent over the previous period and will total approximately 5 billion rubles. In conformity with the Agreement on Trade and Payments for 1981-1985, signed in Moscow in October 1980, the USSR will export to the MPR industrial and agricultural equipment, means of transportation, including cars and trucks, chemical products, including agricultural chemicals and fertilizers, refined petroleum products, agricultural commodities, etc. The MPR will export products of the mining industry and light industry, livestock on the hoof, meat, wool, etc.

Financial and technical assistance to the MPR by the Soviet Union will increase substantially in 1981-1985. This assistance will double over the preceding 5-year plan just within the framework of the economic and technical cooperation agreement between the MPR and the USSR. A total of 342 facilities are to be built and renovated in the MPR with the assistance of the USSR, as well as execution of 45 different programs and measures aimed at improving the efficiency of various branches and sectors of Mongolia's economy.

A substantial percentage of Soviet machinery and equipment exports is being channeled into the establishment of a powerful, unified fuel and energy base in this country's central region. This will make it possible to assure meeting Ulaanbaatar's heat and electric power requirements. Soviet equipment will also be installed at new enterprises of the mining industry, light industry and the food processing industry, which will substantially increase this country's export potential.

Thanks to deliveries of equipment from the USSR, expansion of Ulaanbaatar's TETs-3 [Heat and Electric Power Station] will be completed in the current five-year plan, and TETs-4, with a generating capacity of 380,000 kilowatts, will come on-line. The Darhan-Ulaanbaatar and Baga Nuur-Choyr-Bor--Undur-Ayrag high-voltage power transmission lines will come on-line. The TETs in Choybalsan is to be expanded, and the Baga Nuur coal strip mine, with a production capacity of 6 million tons of coal per year, is scheduled to go into operation.

A contract was signed in 1980 by the Mongolian "Complex Import" Association and the All-Union Tekhnostroyeksport Association on performance in 1981-1985 of design, survey, construction and installation work on the first unit of the Hutul cement and lime complex. When it comes on-line, cement and lime production in the MPR will increase 3.7-fold and 4-fold respectively. This will fully meet this country's requirements for these products up to 1990.

Mutual goods trade between the MPR and the PRB is also scheduled to increase in 1981-1985. Bulgarian equipment will be extensively used in renovating and modernizing a number of production facilities built with the assistance of the PRB. Plans also call for establishment of an agroindustrial complex in Orhon-Sharyn-Gol, and construction of a new brick plant. Bulgaria will take part, together with other brother countries, in developing large deposits of phosphorites, coking coal and copper, and will continue cooperation in the International Geological Expedition of the CEMA member nations.

In addition to industrial equipment, Bulgaria will export to the MPR certain kinds of raw materials, spare parts, foodstuffs and consumer goods. In return it will receive carpets, raw materials of animal origin, agricultural commodities and foodstuffs, as well as some consumer goods.

In conformity with an agreement covering 1981-1985, Hungary will assist our country in building the Herlen-Bayan ulaan irrigation system, construction of the Ongiyn-Gol feed growing operation with an irrigation system, development of health care, exploitation of the Salaa tungsten deposit, etc. Enterprises previously built with the assistance of the HPR will be modernized and expanded.

Further expansion of the Bornuur State Farm, modernization of a carpet factory, expansion and renovation of a porcelain products factory will be accomplished with the assistance of the GDR. The GDR will export to the MPR primarily machinery, equipment and spare parts for enterprises of light industry, the food processing industry and the printing industry, as well as for transport vehicles, chemical industry products, including agricultural herbicides and insecticides, paints and varnishes, photographic and film industry products, and consumer goods.

The MPR will export to the GDR primarily raw materials of livestock origin and products of the livestock raw materials processing industry: wool, hair, gut, hides, carpets, leather wearing apparel, tanned-leather coats, as well as outer knitwear made of camel's hair and sheep's wool.

Trade between the PPR and the MPR will increase by 40 percent in the current five-year plan. Poland will export to our country various machinery and equipment, as well as consumer durables, and the MPR will export to Poland its traditional export goods: raw and tanned hides, meat, tinned meat, wool, tanned-leather coats, and fur articles.

There will also be a substantial increase in trade with the SRR. Several knitwear enterprises and a furniture factory will be renovated with Romania's technical assistance.

Czechoslovakia will assist in completing construction on a shoe factory, in equipping a bus body repair plant, in joint development of the MPR's natural resources, and in processing raw materials of animal origin. It will export to the MPR buses, trucks, tires, diesel equipment, medical equipment, equipment and spare parts for the shoe and leather goods industry, and chemicals. Mongolia will continue supplying Czechoslovakia with raw materials of animal origin, a variety of hides and metalliferous ore concentrates from newly discovered deposits.

The CEMA Permanent Commission on Foreign Trade occupies a special position in development of cooperation between the MPR and the other CEMA member nations.

Establishment of the Commission constituted an important stage in the development of comprehensive interaction among the CEMA member nations in the area of foreign trade. Its activities are directed toward comprehensive expansion of trade, improvement in the structure of trade, and creation of an efficient system of regulating foreign trade and developing it on principles of socialist internationalism.

Within the framework of the commission, a system of long-term trade agreements is being improved, agreements which are increasingly based on the results of coordination of plans, pricing procedure, etc. The commission is promoting the further development of economic ties among the CEMA member nations as well as between these nations and other socialist countries, plus coordination of the actions of interested CEMA member nations in trade with capitalist countries.

In conclusion I should like to note that expansion and deepening of trade and economic cooperation with the Soviet Union and the other CEMA member nations, maximum drawing together and consolidation with them in all areas of societal affairs, and strengthening participation by the MPR in development of socialist economic integration constitute a guarantee of successful implementation of the important program tasks advanced at the 18th Congress of the MPRP. Their successful implementation will promote a stable and vigorous advance by our economy and increased material prosperity and a higher cultural level for the Mongolian people.

In connection with this, as was stated by Comrade Yu. Tsedenbal at the 18th Congress of the MPRP, ministries and agencies, industrial enterprises and other economic organizations of the MPR must unwaveringly meet their obligation adopted pursuant to economic and trade cooperation agreements, and must achieve improved effectiveness of utilization of technical and economic assistance by the USSR and the other brother countries.

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## DEVELOPMENT OF FORESTRY AND LUMBER INDUSTRY REVIEWED

Ulaanbaatar NOVOSTI MONGOLII in Russian 24 Feb 82 p 2

[Article by S. Lhagba: "The Forests of Mongolia for the National Economy"]

[Text] The use of timber resources is playing an important role in the economy of our country. It is divided into three independent sectors of the national economy: forestry, the lumber industry and woodworking. With the development of the economy of the country the consumption of the basic product of forests--wood--is increasing rapidly, in spite of the more and more extensive use of wood substitutes. About 40 percent of the 2.0-2.2 million m<sup>3</sup> of wood consumed annually are used for the needs of industry and construction. The remainder is used as fuel.

The international prestige of the MPR as a country which exports wood, seeds, pelts and fur is increasing from year to year. The forestry organs of the country, while protecting and improving the state of the forests, are implementing water conservation and protective measures and are providing invaluable services to the national economy and the population.

Rich raw material resources are available in the country for the successful functioning and development of the forestry sectors in the country. The area of the state timber reserves of the country comes to 15.2 million hectares, the total root stock of plantings comes to 1,276,700,000 m<sup>3</sup>. The forests of Mongolia for the most part are located along the border with the Soviet Union, with the exception of the saxaul forests, which, covering an area of 3.9 million hectares, are located in the southern part of the country.

Nearly 140 types of tree and shrub species grow in the forests of Mongolia. Some 69.2 percent of the total area of forests is covered by valuable coniferous species, such as larch, cedar, pine, spruce and fir. Sea buckthorn, which is of the greatest value in medicine and other sectors of the national economy, grows on an area of 14,700 hectares. In the forests of the MPR in all more than 100 medicinal, fruit and berry plants grow and many types of wild animals live. Annually 15 to 25 tons of juniper branches, 0.9 to 2.0 tons of medicinal herbs, 22 to 30 tons of berries--mountain cranberries, whortleberries and black currents--and 5 to 6 tons of mushrooms, wild onions and many other useful plants are procured in the forests of the country.

One of the most important features of the forests of the Mongolia is the fact that the main forests of the MPR are confined to the slopes of mountains and therefore

perform important water conservation and soil protection functions. The sources of the main rivers of the MPR are located in the Hentiy, Hangay and Hobsgol mountains, where the main forest tracts of the country are located. The intensity of floods, the levels of the water content and other important characteristics of these rivers, along and near which the most highly developed industrial and agricultural regions of the country are located, depend on the degree of the fulfillment by the forests of water conservation functions. It is possible to judge the degree of importance of the retention of these functions by the forests from the example of the logging in 1941-1945 in the Tuul Gol River Basin near Ulaanbaatar. The forest fires and heavy floods, which were connected with this wasteful treatment of the forest, did considerable damage and to this day are memorable to the residents of the city.

For the scientifically sound use of timber resources all the forests of the MPR are divided in three groups. Especially valuable plantings--the forests of the green zones around cities and population centers, preserves, soil protection and water conservation forests--are assigned to the first group of forests. They account for 42 percent of the total forest area. These forests perform their functions in a living, growing form, as a natural factor. Therefore felling and other types of use, which can do harm to the protective functions of forests, are restricted or prohibited in forests of the first group.

The forests of the second group are also of a protective nature, but here logging is permitted in amounts which do not exceed the amount of the annual growth of wood. Since the amount of annual growth may be significant, in forests of the second type forest exploitation of an industrial nature is frequently organized. These forests take up 50 percent of the total forest area.

Producing forests, which are intended for meeting the needs of the national economy for wood, are assigned to forests of the third group. Large enterprises of the lumber industry, which carry out logging by the industrial method, operate in these forests. Here logging is practically unlimited. The area of the forests of the third group comes to 1.2 million hectares, or 8 percent of the total forest area.

The MPRP and the MPR Government have devoted and are devoting much attention to the efficient, careful use of timber resources. Back in September 1924 the first timber management was organized in Ulaanbaatar, while in December of the same year another three were organized: the Yoroo, Onon and Hobsgol. A completely new sector for Mongolia--forestry--the goal of which is the protection and expanded reproduction of timber resources, the organization of their use with all the diverse useful properties, began to be successfully developed since that time. The Yoroo and Hongor woodworking enterprises, which became the first enterprises of the lumber and woodworking industry, were organized in March 1926.

The Ministry of Forestry and the Woodworking Industry was created in 1972. At present the ministry has under its subordination 14 timber and hunting managements, 4 state forest nurseries, 4 large timber managements, 3 woodworking combines and other enterprises and organizations. In the annual volume of output the ministry holds second place in the republic.

At present the forestry enterprises--timber and hunting managements--are a highly mechanized production unit, which in addition to forest management functions (the

protection of forests against fires, pests, unwarranted felling, the release of wood to loggers and so on) also performs production functions (the procurement of seeds, logging both for the purpose of improving the conditions of the growth of plantings and for the purpose of the industrial use of forests, the planting and sowing of forests, the raising of planting stock, the carrying out of supplementary use and so on). In the past 10 years the volume of developed forest crops has increased nearly 6-fold, the cultivation of planting stock has increased more than 10-fold.

The enterprises of the lumber and woodworking industry--timber managements, woodworking enterprises and combines, enterprises for the production of woodworking items--carry out the industrial logging, processing and treatment of wood. Many of these enterprises, for example, the Hyalganat, Sharyn Gol and Tunhel timber managements and the Tosontsengel Woodworking Combine were built with the assistance of the Soviet Union. The enterprises of the lumber and woodworking industry are furnished with the latest equipment and are using advanced production technology. Thus, in recent years the removal of timber in trimmed logs at the felling areas has been successfully introduced, more powerful logging trucks are being used. During the past 5-year plan the production volume of the lumber and woodworking industry increased by 39.1 percent.

The main tasks of the forestry sectors for the new Seventh Five-Year Plan were specified in the materials of the 18th MPRP Congress. These tasks consist in the purposeful improvement of reforestation work and in the more complete and comprehensive use of the wood being logged. The new 5-year plan provides for an increase of the gross output of the sector by 16 to 19 percent, including the output of the woodworking industry by 20 to 22 percent. It is planned to put into operation a plant for the production of woodworking items and built-in furniture, a furniture and cardboard combine in Ulaanbaatar, to complete the renovation of the Tosontsengel and Suhibaatar woodworking combines and to carry out the construction of a woodworking combine in Erdenet. The assimilation of the production of cardboard, wood particle board and other new types of products and the considerable improvement of the quality of the products being produced are envisaged as a result of these measures.

In the new 5-year plan even more attention will be devoted to the protection of forests and reforestation. It is planned to perform reforestation work on not less than 14,000 hectares of area.

The workers of forestry, the lumber and woodworking industry of the republic, having greeted the decisions of the 18th party congress with great inspiration, are concentrating their efforts on the further increase of production efficiency, the complete and efficient use of timber resources, their protection and reproduction.

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## GORNO-ALTAY OBLAST SECRETARY ON SOVIET-MONGOL COOPERATION

Moscow PRAVDA in Russian 12 May 82 p 4

[Article by V. Sapov, correspondent of PRAVDA: "Neighbors, Friends, and Partners"]

[Text] An old friendship links the Gorno-Altayskaya Autonomous Oblast and the Bayan-Olgii Aymag. Not long ago, a traditional agreement was signed between them, calling for an exchange of delegations, the study of practical experience, scientific achievements, the joint search for a solution of a number of national economic problems, and in particular the realization of the plans for increasing the output of agricultural production discussed at the 26th CPSU Congress and the 18th Congress of the Mongolian People's Revolutionary Party.

The Mongolian Altay calls the Soviet Altay a brother. And those who live along both sides of the border are not separated from one another. Both oblasts are linked by a long-standing friendship, warm and good-neighbor relations. And this time, too, the Altay inhabitants cheerfully welcomed their guests from Olgii, headed by the first secretary of the Aymag Committee of the Mongolian People's Revolutionary Party, B. Hurmetbek. The delegation came to sign the agreement on further cooperation.

The preceding agreement was "concluded" in Olgii, and this one--in Gorno-Altaysk. The day before a delegation headed by CPSU obkom secretary V. Molchanov visited the Mongolian Aymag. In the course of the meeting all points of the agreement were discussed. Moreover, both sides took into account proposals made in rayon and somon [territorial-administrative unit in the Mongolian People's Republic] committees, in enterprises, in societies of Soviet-Mongolian and Mongolian-Soviet friendship, and in farms maintaining constant direct contacts.

This is how a program of cooperation is composed. In a business-like, free and easy atmosphere, large and small tasks are outlined. And a graphic example of how one must derive benefit from such trips are the visits of [our] Mongolian friends in Kosh-Agachskiy Rayon, which is located on the border of Western Mongolia, as long ago as the 1950's. People in Gorno-Altay remember them and think that the regular relations of the border oblasts began with them.

It is not difficult to imagine what aroused the interest of [our] Mongolian friends. Collectivization was going in full swing in the Mongolian People's Re-

public. And naturally the experience of the organization of kolkhozes and sovkhozes in Gorno-Altay was exceedingly instructive for the araty [Mongolian cattle raisers].

And soon after the Mongolian steppes came alive--a virgin land epopee began here. The Soviet Union provided a great deal of assistance. In 1959 alone 2,500 tractors, 500 grain combines, 3,000 automobiles and a lot of other technical equipment went from the USSR to the Mongolian People's Republic. The homeland of the October [Revolution] sent 200 agronomists, engineers and technicians, who had gone through the school of the virgin lands in Siberia and Kazakhstan to help fraternal Mongolia. They gladly shared their knowledge and experience with [our] Mongolian friends.

In the current five-year-plan an important place is again allotted to the development of virgin lands. It is planned to open up 300,000 hectares, a significant part of them in Western Mongolia.

As is well known, it is important not simply to copy experience, but to interpret and apply it creatively. When the goal is clear, the results are also on hand. This is precisely how [our] Mongolian friends act. While being in Olgii, I heard quite a few good words about the party committee and the administration of the Ulaanhus Somon. At one time one delegation after the other went from here to the State Farm named Tu Honoc of the 50th anniversary the USSR. The guests did not return with empty hands. They purchased pure-bred wool-bearing goats, mastered the technology of watering and harvesting grasses, and learned to apply fertilizer. There, in Kosh-Agach, [our] Mongolian friends borrowed the project of sheep-folds, which after completion was accepted in Mongolia.

"To help and assist friends is our international duty," says Yu. Znamenskiy, the first secretary of the Gorno-Altayskiy Okkom of the CPSU. "But we are far from thinking that everything we have bears the 'mark of quality.' Along both sides of the border skillful people are working, and are they not to share anything? Here they sent their horticulturists to Olgii. With their help, the adopted brothers began the planting of trees and shrubs in the center of the aymag. And today there is something to teach the workers from Kosh-Agach."

I listen to my partner talk and remember the trip to the Bayan Nuur and Altantsogts Somons. There they have excellent irrigated sections. Not a bit worse in the Chuyskaya Steppe, where Mongolian workers also "spied out" the experience. They introduced it. Now they are widely engaged in irrigation here and have put in vegetable plantations. And what is characteristic, they are getting cabbage and potatoes from them which are a bit larger than in Gorno-Altay.

"The people from Olgii have gone around us," Yu. Znamenskiy notes. "Now we have to study the experience of the Mongolian vegetable growers. And with the Zlobin method things are far better among the neighbors than among us. And what wool-bearing goats they have in Mongolia: White ones, like snow. From each one they collect 700-800 grams of wool."

Friends do not have secrets from one another. Well, in order for the reverse relationship to work out more often, as in the case with horticulture, irrigation

and the wool-bearing [goats], the aykom [aymak committee] and the obkom have established the following procedure: Every delegation composes a detailed report about its trip.

I am reading one of them, compiled by the chairman of the party commission attached to the Gorno-Altay CPSU Obkom, G. Bel'bekov, who was in Mongolia as a member of a delegation. This detailed account about the work of the party committees of the Altantsogt, Saksay and Bayan Nuur, about the vanguard role of the communists of the state farms in production, about how competition is organized and the propagation of advanced experience is conducted. But there is one observation which is expressed to the friends: In the opinion of the delegation they were in too great a hurry with the introduction of the Ipatov method. Those scales do not yet exist in the agriculture of Western Mongolia.

Our friends listened to our advice. In the state farms of Western Mongolia, which have by no means rejected the idea of the Ipatov followers, they now simply apply it creatively in accordance with local conditions.

Among the adopted brothers of the Soviet and Mongolian Altay it has been taken for a rule: If you have or do things better, prompt us, teach us what to do, so that things are not worse for your neighbor. And in this is seen the main principle of cooperation. The meaning of competition acquires another sound. In any case, in everything there are relationships of trust, based on support and mutual gain.

"There should be more of such prompting," this is how M. Rahada, secretary of the party committee of the Sotsialidzmiyn dzam State Farm, expressed the essence of the contacts. "I have been in Gorno-Altay more than once and have obtained a great deal from colleagues in the Mayminskiy, Ongudayskiy, Shebalinskiy, and Kosh-Agachskiy Rayons from the practice of organizational party work, in particular in regard to the organization of the verification of the execution of decisions being taken and the development of socialist competition."

About this, I recall, they told us also in the aykom, where a great deal of organizational work is being done on the propagation and introduction of the Soviet experience, on the development of adopted-brother relations. Special literature has been picked up for the agitation collectives, as well as information on competing youth brigades of the Kyzyl-Maany Kolkhoz and the Oktyabriyn 30 jil Cooperative, the carpet-maker from Olgii, S. Kenjebay, and the weaver from Gorno-Altaysk, E. Voroshina, on contacts between the revsomol Mongolian Revolutionary Youth League members and the Komsomol members, Pioneer organizations, and Soviet-Mongolian and Mongolian-Soviet Friendship Societies.

The program of cooperation between the border oblasts is constituted in such a way that in it a place is found for all organizations--beginning with the schools and ending with the party committees. And even if someone is unable to obtain something useful for his collective from a trip, both sides all the same say: "Let us be friends." You know, in the end the greatest wealth on earth is the happiness of human intercourse.

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